

Monday, November 17, 1986

Advertising Age

Crain's International Newspaper of Marketing. In Two Sections. Section 1.

Notice of Offer to Purchase for Cash
All Outstanding Shares of Common Stock
Including the Associated Preferred Stock Purchase Rights
of
The Gillette Company
by
Revlon Group Incorporated



"It's mogulmania. It's a case of power at its rawest. He (Revlon chairman Ronald Perelman, above) makes Carl Icahn look like a polished stone."
— Cosmetic industry exec

THE COMPANY HAS BEEN ADVISED BY THE SECURITIES AND EXCHANGE COMMISSION THAT IT HAS RECEIVED FROM THE REVLO GROUP INCORPORATED AN OFFER TO PURCHASE ALL OUTSTANDING SHARES OF COMMON STOCK ON A CASH BASIS AND TO PAY RELATED FEE AND EXPENSES. THE OFFER IS SUBJECT TO THE APPROVAL OF THE BOARD OF DIRECTORS OF THE COMPANY. THE OFFER IS SUBJECT TO THE APPROVAL OF THE BOARD OF DIRECTORS OF THE COMPANY. THE OFFER IS SUBJECT TO THE APPROVAL OF THE BOARD OF DIRECTORS OF THE COMPANY.

Perelman eager to snare Gillette

Bitter takeover fight expected

By PAT SLOAN

NEW YORK—Corporate raider Ronald Perelman is showing all the symptoms of mogulmania.

Working on a takeover of hotel company Transworld Corp. and having just finalized Revlon Group's purchase of Max Factor, Almay and Halston cosmetics, the Revlon chairman has offered \$4.12 billion for Gillette Co. The move has set up a potential bitter and hostile struggle for Gillette that Wall Street

already expects could draw into the bidding such powerhouses as Procter & Gamble and Unilever.

For a year, Unilever and P&G have been rumored to be interested in Gillette, and now Jack Salzman, a Goldman Sachs analyst, isn't ruling out either as a potential white knight: "There's a good possibility of a white knight, maybe Procter & Gamble or some other company of that size."

Whatever happens, said industry consultant
(Continued on Page 108)

New IBM PC Super Bowl-bound

By BRIAN MORAN

LAS VEGAS—IBM is preparing to introduce a long-expected successor to its 5-year-old basic Personal Computer via a Super Bowl tv ad blast in January.

Reports swept through the Comdex industry trade show here last week that IBM will position the so-called "PC2" as a work-at-home machine priced about \$1,000 or possibly lower. The move would mark Big Blue's second attempt to market an inexpensive, entry-level computer. IBM halted production

on its failed PCjr 18 months ago.

IBM's anticipated Super Bowl unveiling of the new pc is directed in part at rival Apple Computer, which traditionally unveils new products in January. Speculation is mounting that Apple may introduce in January the first Macintosh model equipped to run IBM-compatible software.

"It's very likely we'll see a head-to-head battle of IBM and Apple commercials on the Super Bowl," said Clare Fleig, analyst for International Technology Group, a Los Altos, Cal., market research company.

A spokesman for IBM's personal computer division, Montvale, N.J., would not comment. Cupertino, Cal.-based Apple has not divulged its plans for early 1987 new products or a possible Super Bowl appearance. Lord, Geller, Federico, Einstein handles IBM; BBDO Worldwide handles Apple.

Dealers at Comdex indicated IBM has encouraged them to clear their shelves of existing PC inventory to make way for the new unit's arrival. Several dealers speculated that IBM has halted production of the original PC model. The IBM spokesman said production

on certain models in the IBM PC line is shut down periodically, depending on demand. He would not comment further.

"It's certain that there are not a lot of PCs left to order," said Peter Teige, analyst for San Jose, Cal.-based Dataquest.

The successor PC should help IBM step up its battle against low-price competitors. Big Blue's basic PC has become increasingly vulnerable to compatible models marketed by a host of challengers, including Fort Worth-based Tandy Corp., Houston-based Compaq
(Continued on Page 104)

Last Minute News

Sears ties into shopping by tv

CHICAGO—Sears has agreed to give QVC Home Shopping Network, West Chester, Pa., exclusive rights to feature its merchandise, including some not included in Sears stores or catalogs. QVC's prime time program will make its debut Nov. 24 on 26 cable systems, serving 5 million households; 24-hour operation is scheduled to start Jan. 1. Sears has no immediate plans to advertise the new outlet.

Dexatrim account may be moving

NEW YORK—Thompson Medical has reassigned its \$10 million Dexatrim capsules account to Laurence, Charles, Free & Lawson from Saatchi & Saatchi Compton, sources say. A Thompson spokesman said he believed the rumor is true but
(Continued on Page 8)

Broader roles for Y&R, Saatchi

Consulting poses conflicts

By STEWART ALTER

Young & Rubicam and Saatchi & Saatchi last week made what could be the most significant moves outside of advertising by advertising agencies to date. The actions will have tremendous consequence in the area of client conflicts and on the entire concept of what a full-service agency can and should be.

Edward Ney resigned as chairman of Y&R to head a new consultancy/investment banking joint venture between Y&R and PaineWebber, and Saatchi & Saatchi hired one of the most respected executives in management consulting to solidify—and significantly expand—its previous entry into that field. Victor Millar, one of two worldwide managing partners of the Arthur Andersen & Co. accounting

firm, will join Saatchi to lead an acquisition binge that will build upon the London-based agency's 1984 acquisition of the Hay Group.

While the immediate plans of both agencies call for avoiding controversy, their moves pose questions about client-agency relationships and conflicts that could turn recent merger-related events into minor footnotes in the history of the agency business.

What adds particular importance to

these steps into uncharted ad-agency territory are the industry-leading reputations of the key players.

Mr. Ney, 61, had been ceo of Y&R since 1970 before relinquishing the post last year to Alexander Kroll, 49, who now adds the title of chairman. If Mr. Ney is as right in his thinking in the current PaineWebber venture as he was when he looked at the agency business in the 1970s and began transform-
(Continued on Page 107)

INSIDE:

Ad spending may be more than expected in '87—Page 4
How election may affect ad industry hopes—Page 24

Magazines face

WASHINGTON
4520 EAST-WEST #800
SRI ACQUISITION
CONGRESSIONAL INFO SERVICE
AA 86-668296 FUD
11-15-86 11:15 AM

Highlights

IBM preps 'PC2'

IBM is preparing to introduce a long-expected successor to its 5-year-old basic Personal Computer via a Super Bowl tv ad blast in January. Reports swept through the Comdex industry trade show in Las Vegas last week that IBM will position the so-called "PC2" as a work-at-home machine priced about \$1,000 or possibly lower.

Colgate sheds light

Colgate-Palmolive Co. three years ago dropped scores of agencies worldwide and committed its future to three international shops. Only now has the broad significance of those changes become evident, with disinflation and flattened ad spending forcing agencies to consider fundamental changes.

Sears' soft approach

Sears, Roebuck & Co., which earlier this year consolidated national advertising responsibility at "hard goods" specialist Ogilvy & Mather, nevertheless is preparing several major new "soft goods" marketing initiatives.

Kennedy's collision course

The surprise decision by Sen. Edward Kennedy to chair the increasingly powerful labor and human resources committee puts the liberal Massachusetts Democrat on a collision course with the ad industry.

Federal Express zaps DHL

After scrapping its loss-ridden ZapMail service, Federal Express Corp. is preparing to turn up the heat against rival DHL Worldwide Express in the international package delivery business.

Daihatsu tests U.S. waters

Japan's fifth-largest auto maker, Daihatsu Motor Co., shortly will begin marketing an industrial vehicle in the U.S. as a first step in a plan to sell its full line here, probably in 1988. Daihatsu America this month appointed Los Angeles agency Abert, Newhoff & Burr to handle Hijet's introduction in January.

Unisys packs power

The initial advertising campaign for Unisys Corp.—the new name for merged Burroughs and Sperry—positions it as an exponentially more potent force in the computer industry. But observers say the Burroughs-Sperry combination won't be a stronger competitor to giant IBM than each was separately.

Oliver sympathetic to admen

Daniel Oliver doesn't come right out and say no lawful ads should be banned, but the chairman of the Federal Trade Commission leaves little doubt as to where he stands on attempts to restrict tobacco or alcohol ads.

FEATURES

Fishing in Minneapolis

Carmichael-Lynch's senior vp-associate creative director Jack Supple takes visitors fishing to demonstrate the effectiveness of Dr. Juice, a product of client Normark Corp. But the Minneapolis agency has done a lot more than swap fish tales to win 14 top awards this year in six national advertising competitions.

INTERNATIONAL

Murdoch buys stake in Asia

Rupert Murdoch's News Corp. Ltd. has bought a 35% stake in the Hong Kong-based *South China Morning Post*, thereby making it possible for global marketers to engage in one-stop shopping for major newspapers on several continents.

OTHER NEWS

Conventional wisdom sees advertising's growth as that proverbial glass that's half empty. If you scratch below the surface, however, several powerful forces suggest advertising in 1987 could resume the growth of the early '80s—and on a much healthier basis. Page 4.

J. Walter Thompson USA has signed as the first customer for a new tv ratings service that could become one of the biggest research developments of the decade: Viewership ratings for commercials instead of just programs. Page 6.

"Amerika," the \$30 million-plus, 12-hour miniseries due as the next big event on ABC, is generating considerable controversy well before its planned February telecast. Page 22.

After 36 years of conforming to a defined corporate culture—as vp-marketing services at General Foods and chairman of the Assn. of National Advertisers and the Advertising Council—F. Kent Mitchel now defines his own business atmosphere. The 59-year-old executive has set up his own consulting company, Fair Tide Associates. Page 32.

Animal lovers and humane societies are embroiled in a cat fight with Neiman-Marcus over the animal gift in its 1986 Christmas catalog. The California Spangled cat comes in bronze, silver, red and blue. Page 34.

SPECIAL REPORT



Big media's traditionally sunny outlook turned partly cloudy this year. An uncertain economic forecast put advertisers on a cautionary course that leveled media rates and held total ad growth to an estimated 5% to 6%, down from 7.9% in 1985 and 16% in 1984. Some experts suggest this year's ad crunch signals the start of a new era of slower growth for U.S. media.

French shop taps O'Rielly, O'Brien, Clow

By STEWART ALTER

NEW YORK—Walter O'Brien, former vice-chairman of J. Walter Thompson Co., and Curvin O'Rielly, former creative chief both at McCann-Erickson, New York, and Ogilvy & Mather, Chicago, have joined with Stephen Clow to form a new agency in partnership with Roux, Seguela, Cayzac & Goudard, a French multinational shop that billed \$287 million in 1985.

Called O'Rielly O'Brien Clow/RSCG, the New York agency represents the first entry into the U.S. by RSCG, which does business in 10 European countries. RSCG was reported three months ago to be exploring a startup with Mr. O'Rielly as an alternative to acquiring a U.S. agency (AA, Aug. 25). That followed its failure to forge a deal with Grey Advertising's Levine, Huntley, Schmidt & Beaver subsidiary (AA, Aug. 4, et seq.).

"I've been talking to RSCG for close to seven months now," said Mr. O'Rielly, who said Mr. O'Brien was brought into the discussions in midsummer. "We've been talking seriously for the last six weeks to two months," he added.

"It's exciting," said Mr. O'Rielly of the new venture. "This group really cares about terrific work. They're after a profit as all people are in business, but they're excited about the" (Continued on Page 104)

Mojo MDA buys Allen & Dorward

By JENNIFER PENDLETON and GEOFFREY LEE MARTIN

California's shrinking pool of independent ad agencies became even smaller last week when Australian agency Mojo MDA acquired San Francisco-based Allen & Dorward.

Mojo MDA is best known in the U.S. for its Clio-winning commercials for the Australian Tourist Commission featuring Australian actor Paul Hogan.

The agreement, expected to be finalized by yearend, calls for an initial payment of \$6 million and an additional \$3 million in earn-out payments over three years. The deal is subject to shareholder approval and creates a combined \$250 million agency network, moving Mojo MDA from third place to first among agency groups

in Australia.

Allen & Dorward is California's fifth-largest independent agency, with about \$75 million in billings.

The merged shop temporarily will be known as Mojo MDA-Allen & Dorward and will later convert to the Mojo MDA name.

Although Mojo has international affiliates in the Far East, this is the first arrangement involving ownership. It also signals the beginning of Mojo MDA's international expansion plans, announced when Sydney-based Mojo merged with Monahan Dayman Adams, Melbourne, just three months ago (AA, Aug. 11).

"We will be looking immediately at expansion in the U.S., particularly Los Angeles and New York, and we are continuing to consolidate our presence throughout Asia" (Continued on Page 108)

West Coast News

Agencies to get a shot at apple account

WENATCHEE, WASH.—Washington State Apple Commission is reviewing its account, projected to jump by 57% next year to \$5.5 million. Cole & Weber, Seattle, which has had the account since 1970, will participate.

LOS ANGELES—Chiat/Day co-founder Guy Day, on sabbatical for the past six months, has decided to leave the agency permanently. Mr. Day says he will continue to write fiction and eventually may reenter the ad business. Chairman-ceo Jay Chiat says the agency won't change its name.

SACRAMENTO—The California State Lottery will lower billings requirements for agencies participating in the review of its \$25 million general account to \$40 million from \$50 million. The commission will select eight finalists on Jan. 5.

LOS ANGELES—Wieden & Kennedy here has appointed Dick Paulsen chief operating officer. Mr. Paulsen, formerly exec vp at Basic Computer Systems, Anaheim, succeeds Steve Keenan, now a management supervisor at Young & Rubicam, Chicago.

SAN JOSE, CAL.—Altos Computer Systems has added Wieden & Kennedy, Portland, Ore., to the list of contenders for its \$2 million account, formerly at Reiser Williams deYong.

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Vol. 57, No. 58—ADVERTISING AGE (ISSN 0001-8998) is published weekly except semiweekly the fourth week in March and the first week in September at 740 Rush Street, Chicago, Ill. 60611-2591. Second-class postage paid at Chicago and additional mailing offices. Send address changes to ADVERTISING AGE, Circulation Department, 965 E. Jefferson, Detroit, Mich. 48207. Microfilm copies are available from University Microfilms, 300 N. Zeeb Rd., Ann Arbor, Mich. 48103. Microfiche copies are available from Bell & Howell, Micro Photo Division, Old Mansfield Rd., Wooster, O. 44691. \$1.50 a copy, \$57 a year, \$104 two years. Add \$89 per year for air delivery to Europe & Middle East. Add \$34 for surface mail to all other foreign countries. WILLIAM STRONG, vp-circulation; JOHN HUFFMAN, fulfillment director; DAVE KELLEY, circulation manager. Four weeks' notice required for change of address. Address all subscription correspondence to Circulation Department, Advertising Age, 965 E. Jefferson, Detroit, Mich. 48207 (313) 446-0494.

ABP

MPA



Credit midwesterners for taking an interest in using plastic right

Midwesterners are smarter than everybody else when it comes to using bank credit cards, according to a national opinion survey of more than 1,000 Americans released in late October by the Iselin, N.J.-based newsletter "Bank Credit Card Observer."

The study found that 38% of midwesterners shop around widely for credit cards before accepting them, compared with 23% of Americans living in the West. Mid-

card applications found that only 46% mention the annual interest rate, he adds. Clear disclosure of interest rate, annual fee and the grace period before interest charges are assessed is imperative for smart shopping, Pollock says.

Pollock, who formerly headed the research and forecasts subsidiary at New York-based Ruder, Finn & Rotman, started "Bank Credit Card Observer" in April to shed some light on credit cards as one of the nation's fastest growing industry segments. His background as a political science professor at Rutgers University has served him well, he says.

"My strategy is to build awareness and to establish the rigors of scientific research that I bring to this," he says.

Richard Edel

In fashion, all that glitters one season is a shade subdued the next

If you want a jump on what will be next season's fashionable colors for clothing and interior design, your best bet is to do what the big guys do: Tune into the outside world.

Apparently, there's no grand scheme and no cabal of designers who decide what's hot or what's not. When designers choose their colors, they tend to look most at pop culture, "paying particular attention to what's on television and happening in the art galleries," says Leatrice Eiseman, executive director of the Pantone Color Institute, Moonachie, N.J.

Metallics became the "in" colors shortly after "The Treasures of King Tutankhamen" national museum tour. Although metallics are still a major influence, the retrospective of Viennese art currently at New York's Museum of Modern Art is reviving interest in subdued tones enlivened with a touch of bright color.

"Historically, there's always been recy-

cling of colors. For instance, Art Deco, with its sleek black enamels, mauves and peach tones, is back once again," she says, pointing out that last season's "Miami Vice"



Mary Ann Restivo's design adds a touch of bright color to subdued tones.

fashions were heavily influenced by the Art Deco revival.

It extends all the way to colors for telephones, cars and appliances. Even Sears, Roebuck & Co. is selling black washers and dryers. This season, department stores are filled with clothes in low-key colors. There are "lots of charcoals, grays and blacks because designers perceive that customers are buying less and willing to pay more for a classic color. We've all become so much more color aware, especially how we react emotionally to certain colors," Eiseman says.

Still, for the young and the young-at-heart, odd and outrageous color combinations are the rule, while the upscale and more mature consumers prefer understated, muted palettes with a dash of color thrown in. One color popping up on drawing boards for next spring and beyond is green, particularly emerald green for clothing and "Coca-Cola" bottle green for furniture. The question is, is it New Coke or Classic?

Laurie Freeman

Attorneys confess: Law murders their love lives

About to snooze in your booze? Next cocktail party, come prepared. Before that young lawyer starts regaling you with his exploits at the firm, quickly hand him this absorbing young-lawyer fact sheet. It's based on a poll of 1,500 lawyers under 35 and will be published in the American Bar Assn.'s *ABA Journal* next spring. While the young lawyer is reading it, go freshen your drink (perhaps at another party). With luck, he won't sue.

Here's a preview of the poll (responses are in percentages):

What is your household income from practicing law?

- 6—under \$15,000
- 27—\$15,000 to \$30,000
- 41—\$30,000 to \$50,000
- 14—\$50,000 to \$70,000
- 7—\$70,000 to \$100,000
- 5—\$100,000 and above

Are you better off economically than your parents were when they were your age?

- 83—Yes
- 17—No

Did you obtain financial assistance from your parents (or in-laws) to pur-

chase your first house, condo or co-op?

- 36—Yes
- 64—No

Are you married?

- 31—Yes
- 69—No

If you are married, does your spouse work for a living?

- 73—Yes
- 27—No

Which of the following do you own?

- 59—a vcr
- 23—a home computer
- 47—a food processor
- 67—a microwave oven
- 73—a 35mm camera
- 36—a health club membership
- 9—a compact disc player
- 34—a telephone answering machine
- 23—a sports car

Does your work affect your love life?

- 67—Yes
- 33—No
- If yes...
- 14—Positively
- 86—Negatively

No wonder young lawyers can seem so, well, determined, at cocktail parties.

Lenore Skenazy

HIT LIST

Currents compiles the nation's current entertainment favorites below.

Movies

1. **Color of Money** - Buena Vista (2 weeks)
2. **Crocodile Dundee** - Paramount
3. **Soul Man** - New World
4. **Peggy Sue Got Married** - Tri-Star
5. **Jumpin' Jack Flash** - 20th Century-Fox

Provided Nov. 11 by Variety

Books

1. **Whirlwind**, James Clavell, Morrow (1 wk.)
2. **His Way**, Kitty Kelley, Bantam
3. **It**, Stephen King, Viking
4. **Fatherhood**, Bill Cosby, Doubleday
5. **Red Storm Rising**, Tom Clancy, Putnam

Provided Nov. 11 by B. Dalton

Network tv

1. **Cosby Show** - NBC (80 wks. at No. 1)
2. **Family Ties** - NBC
3. **Cheers** - NBC
4. **Golden Girls** - NBC
5. **Night Court** - NBC

A.C. Nielsen rankings Nov. 3-9

Videocassettes

1. **Sleeping Beauty** - Disney (2 weeks)
2. **Fonda's New Workout** - KLVH
3. **Fonda's Low Impact Workout** - KLVH
4. **Sound of Music** - CBS-Fox
5. **Alice in Wonderland** - Disney

Reprinted from Nov. 15 Billboard

Record albums

1. **Third Stage**, Boston, MCA (3 weeks)
2. **Slippery When Wet**, Bon Jovi, Mercury/Polygram
3. **Fore!**, Huey Lewis and the News, Chrysalis
4. **True Colors**, Cyndi Lauper, Portrait/Epic
5. **Break Every Rule**, Tina Turner, Capitol

Reprinted from Nov. 15 Billboard

Music videos

1. **You Give Love a Bad Name**, Bon Jovi, Mercury/Polygram, Wayne Isham, dir., Mavis Prods. (2 weeks at No. 1)
2. **Take Me Home Tonight**, Eddie Money with Ronnie Spector, Columbia, Nick Morris, dir., MGM Prods.
3. **Velcro Fly**, ZZ Top, Warner Bros., Daniel Kleinman, dir., Limeight Films
4. **A Matter of Trust**, Billy Joel, Columbia, Russell Mulcahy, dir., Split Screen East Prods.
5. **Throwing It All Away**, Genesis, Atlantic, Jim Yukich, dir., Split Screen/MGM Prods.

Top 10 for the week of Nov. 8 as seen on MTV: Music Television.

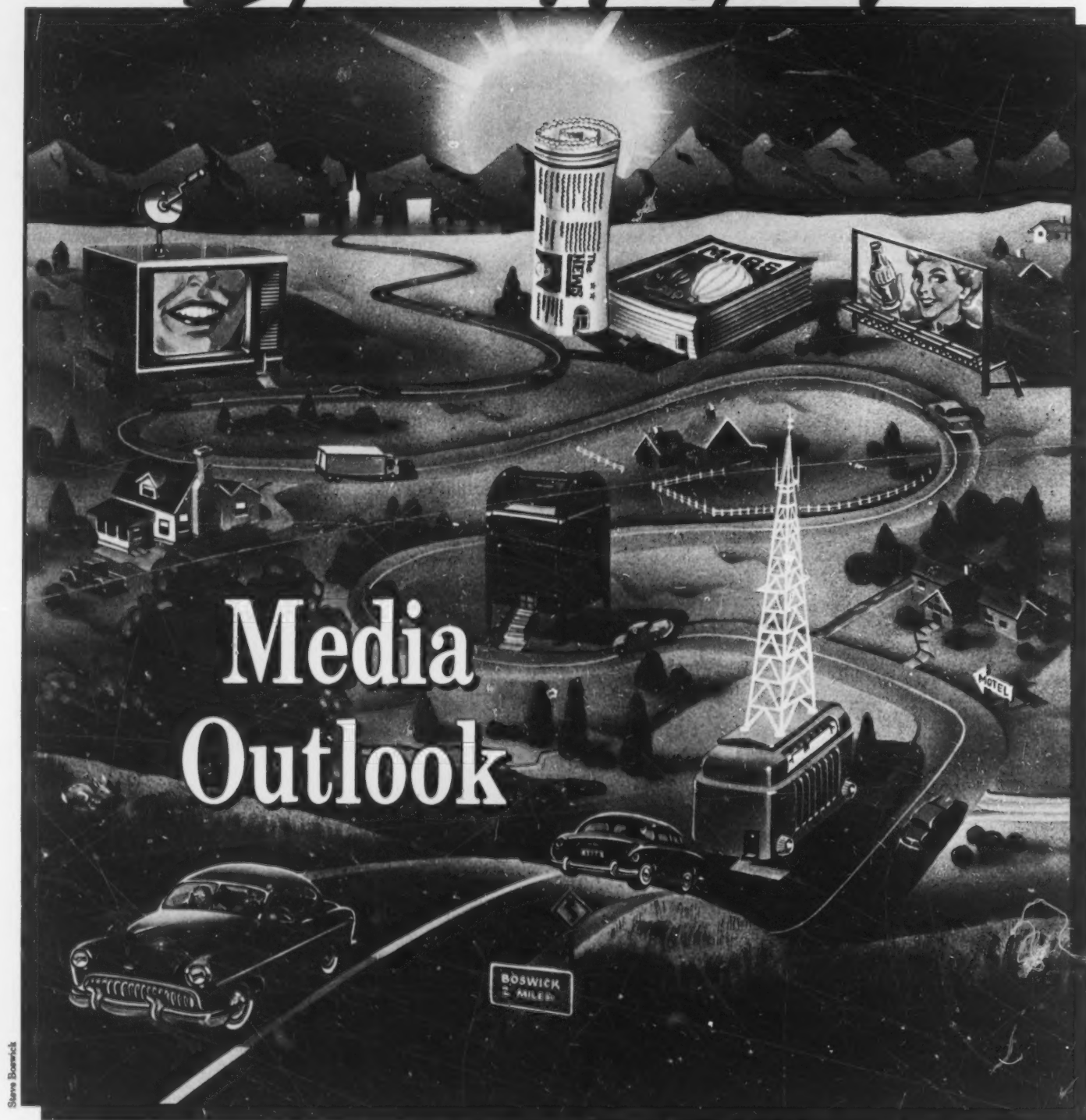
The hot seats

"Currents" takes a look at the latest concert scene with a listing of the top 10 concert draws for the past month.

Headliner, supporting acts	Venue, city, dates	Total attendance (capacity), No. of shows	Promoter or sponsors	Gross ticket sales
1. Genesis	Madison Square Garden, New York, Sept. 29-Oct. 3	99,500 (20,000) 5 sellouts	Delsner Ent. Michelob	\$1,898,937
2. Genesis	Rosemont Horizon, Rosemont, Ill., Oct. 5-10	101,987 (16,997) 6 sellouts	Jam Prods., Michelob	1,784,772
3. Genesis	The Forum, Inglewood, Cal., Oct. 13-17	85,739 (17,148) 5 sellouts	Avalon Attractions, Michelob	1,440,421
4. Genesis	Oakland Coliseum, Oakland, Cal., Oct. 19-24	76,607 (12,768) 6 sellouts	Bill Graham, Michelob	1,340,623
5. Billy Joel	Madison Square Garden, New York, Oct. 15, 17-18	80,000 (20,000) 3 sellouts	Delsner Ent.	1,150,000
6. Van Halen, B.T. Overdrive	Cow Palace, San Francisco, Oct. 31-Nov. 3	57,270 (14,318) 4 sellouts	Bill Graham	950,745
7. Journey, Glass Tiger	Meadowlands Arena, East Rutherford, N.J., Oct. 25, 26 & 28	57,483 (20,466) 3 shows	Monarch, John Scher	946,113
8. Billy Joel	The Spectrum, Philadelphia, Oct. 7, 8 & 13	55,372 (18,457) 3 sellouts	Electric Factory	916,065
9. Bob Seger & the Silver Bullet Band, Frankie Miller	Maple Leaf Gardens, Toronto, Oct. 23-25	43,852 (14,617) 3 sellouts	Concert Prods.	771,795
10. Johnny Mathis, Dionne Warwick	Chicago Theatre, Chicago, Oct. 16-26	35,210 (3,500) 10 shows	In-house, Shepardon	742,059

Source: Amusement Business

Special Report



Media Outlook

Media's road ahead filled with challenges

By Lori Kesler

Big media's traditionally sunny outlook turned partly cloudy this year. An uncertain economic forecast put advertisers on a cautionary course that leveled media rates and held total ad growth to an estimated 5% to 6%, down from 7.9% in 1985 and 16% in 1984. And the road back to better health is generally expected to meander considerably before it straightens out.

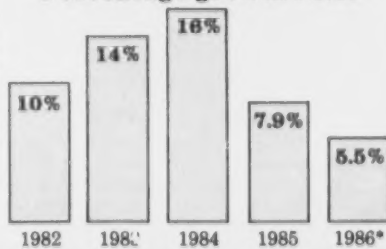
It has been a sobering experience for an industry accustomed to passing out double-digit rate hikes, even during the lean years of the early '80s.

Determined to maintain short-term profits,

Lori Kesler is ADVERTISING AGE's St. Louis correspondent and a frequent contributor to Special Report.

corporations flattened their ad budgets, migrated to new media and shifted more dollars into promotional activities. And major media responded by bringing their long-running rate inflation game to an abrupt halt.

Growth in ad spending
Percentage growth rates



SOURCE: ADVERTISING AGE

*estimate

Some experts suggest this year's ad crunch signals the start of a new era of slower growth for U.S. media. "This is not a short-term wrinkle," says Michael Drexler, exec vp, national media director, Bozell, Jacobs, Kenyon & Eckhardt, New York. "I think we're in a watershed year. People are breaking out of the traditional ways of doing business."

From now on, says Mr. Drexler, advertisers will demand more accountability. Media will have to find ways of keeping ad rates in line with the consumer price index and other economic barometers, he says, "because companies will no longer plunk down money to buy time or space at any price."

At the same time, it won't be easy to maintain high standards of editorial and programing quality without hiking ad costs, says Michael Atkin, New York-based DDB Needham Worldwide's

(Continued on Page S-2)

Agency execs pick 1987's winners

ADVERTISING AGE asked media directors from six agencies what we should be keeping our eyes on next year. Our survey participants submitted "Top 10" listings on their predictions for 1987's hottest properties—in terms of growth, development and activity—in each of the categories below. Here are the winners:

Television shows



The Cosby Show

2. Moonlighting
3. Dallas
4. 60 Minutes
5. Family Ties
6. Murder, She Wrote
7. Who's the Boss
8. Cheers
9. Miami Vice
10. Growing Pains

Radio programs



American Top 40 with Casey Kasem

2. Rick Dees' Weekly Top 40
3. Paul Harvey
4. The Howard Stern Show
5. American Country Countdown
6. In Concert
7. Ticket to Ride
8. Wall Street Journal Report
9. Larry King Show
10. Format 41

Magazines



Money

2. Elle
3. American Health
4. New Yorker
5. Country Living
6. Manhattan, Inc.
7. People
8. Modern Maturity
9. Changing Times
10. Rolling Stone

Newspapers



USA Today

2. Washington Post
3. Newsday
4. New York Times
5. Wall Street Journal
6. Chicago Tribune
7. Boston Globe
8. Los Angeles Times
9. New York Post
10. Miami Herald

Media companies



Time Inc.

2. Gannett Co.
3. Fox Broadcasting Co.
4. Capital Cities/ABC
5. Lorimar-Telepictures
6. Viacom International
7. General Electric/ABC
8. Westwood One
9. CBS Inc.
10. New York Times

Media markets



Tampa-St. Petersburg

2. Washington, D.C.
3. Orlando-Daytona Beach
4. Phoenix-Scottsdale
5. Los Angeles
6. Boston
7. Dallas-Ft. Worth
8. New York
9. Chicago
10. West Palm Beach

Survey participants: BBDO, New York: Mike Hedge, senior vp, associate media director; Boszell, Jacobs, Kenyon & Eckhardt, New York: Michael Drexler, exec vp, national media director; Harry Glass, vp, media manager; Craig Gugel, senior vp, media research director; Joel S. Kushins, senior vp, media director; Campbell-Ewald Co., Warren, Mich.: Louis M. Schultz, exec vp, director-media services; Edwin L. Acker, senior vp, associate media director; Bernard Guggenheim, senior vp, director-media information services; Robert I. Mitchell, senior vp, director-local market media; David M. Platt, senior vp, New York media director; Judith E. Sawyer, senior vp, director-national broadcast media; Cunningham & Walsh, New York: Frank P. McDonald, exec vp, director-media & marketing services; DFS Dorland New York: Allen Banks, exec vp, media director; Jack Irving, senior vp, director, chairman-media plane review board; Ira Weinblatt, senior vp, director-media planning; Mel Conner, senior vp, director-network tv programming; Walter Teitz, vp, associate media director; Frank Hajek, director-print relations; Sam Michelson, vp, associate buying director; William Eaty Co., New York: Tom Winner, senior vp, director-broadcast operations

Challenging road ahead

(Continued from Page S-1)

senior vp, corporate director-media resources. The recent flurry of media company mergers, buyouts and management shakeups, he says, may already be affecting the way advertising is bought and sold. Media, says Mr. Atkin, are trying harder to accommodate advertisers with more competitive pricing and flexible packages.

"Next year will be a good one for clients because prices will be held down," says Michael Drake, senior vp, director-media planning and information services, BBDO, New York. "It will be a

tough year for suppliers because they won't be able to pass costs along to advertisers without first making an effort to control their own spending."

The two biggest national media—network tv and magazines—were punched hardest this year. Growth rates for each are expected to stall out at about 4% for 1986.

Some experts say network tv's dramatic price slide had a trickle-down effect that depressed the rest of the national market. Others argue that the sluggish economy is exerting equal pressure on all sectors.

Most agree, however, that several noneconomic factors made media matters worse this year.

Several noneconomic factors made media matters worse this year.

For example, client mergers tended to limit total ad volume while sheltering more dollars

under the umbrella of large advertiser discounts. And hot new product categories to stir up advertising demand were harder to find this year. In the past, such things as home computers and videogames emerged to energize a slow market. Nothing like that materialized in 1986.

Agency media directors also watched more and more ad money being siphoned from major media into promotions. And the growth of direct marketing is taking money away from traditional media's ad revenues, says Richard Kostyra, exec vp and U.S. director-media services, J. Walter Thompson USA, New York. The trend has been building for a long time, he

adds, "but advertisers suddenly came face to face with it in 1986. Nobody has an answer to it yet."

Of all the media, network tv probably felt the strongest shock. It experienced "something of a revolt" when advertisers and agencies finally brought an end to what they regarded as many years of excessive pricing, says Joseph Ostrow, exec vp-communications services, Young & Rubicam, New York.

"The networks didn't expect such slow growth this year," adds Mr. Atkin. "Even though their revenues fell 3% in 1985, they hoped for a rebound and were really surprised when it

(Continued on Page S-4)

Media directors predict soft market will continue in 1987

Against a backdrop of upheaval and uncertainty, several agency media directors were asked to slip into the role of soothsayer and speculate on 1987's media picture.

On the whole, they expect next year's patterns to follow current trends, with ad costs inching up less than 5% and almost no growth in ad spending. (See related story on media forecasts by Robert J. Coen, senior vp, director of forecasting, McCann-Erickson, New York.)

They say advertisers will continue to keep a tight grip on ad costs, so budgets for established brands will remain relatively flat. But Michael Drake, senior vp, director-media planning and information services, BBDO, New York, suggests that if the new tax laws let low- and middle-income workers take home a bigger chunk of their paycheck, advertising for consumer products may increase.

Michael Drexler, exec vp, national media director for Boszell,

Jacobs, Kenyon & Eckhardt, New York, thinks the worst of the economic depression has passed. But he says media revenues, which lag behind the general economy, probably won't pick up until the end of 1987 or early 1988.

Network tv

Media directors put network revenue growth in 1987 at 4% or less. Most expect rates to stay flat or possibly drop, especially if the people meters, which will come into use next year, measure lower audience numbers than previous rating standards have shown.

Network's share of prime time audience slid from 90% in 1980 to 76% in 1986. Mr. Drake says this year's prime time and daytime marketplace has been soft. He says news continues to be popular with corporate advertisers, and late-night offerings remain most efficient in targeting the young adult crowd. He foresees a softening in sports as auto makers move away from

male-oriented programming into the dual-audience market.

By the tenets of common wisdom, the Olympics and elections should invigorate the up-front market for the 1987-1988 tv season. However, one expert warns against too much optimism. "Economists are saying nothing follows formula anymore," says Richard Kostyra, exec vp, U.S. director-media services, J. Walter Thompson, USA, New York. "I feel 1987 will continue to be a tough, flat year."

Spot tv

The outlook for spot tv appears mixed, with some media directors predicting moderate growth and others predicting flat or declining sales.

Mr. Drexler estimates 1987's spot market will increase 5.5% as national advertisers key in on hot geographic markets and local retailers build weight either by shifting money from newspaper budgets or adding tv outright.

An alternate scenario has the

nets' low rates diverting funds from the national spot market. Mr. Drake says most tv stations will have to search for local and regional advertisers to make up for lost national sales.

Cable tv

Cable's ad revenues are expected to continue rising at a somewhat slower pace than the 30% registered in 1985, or 16% for the first half of 1986. About half the country now is wired for cable, but further expansion will be slowed by the high cost of hooking up the big cities.

Cable's growth potential is attributed to its relatively low out-of-pocket costs as well as its ability to target certain attractive segments and replace lost network weight.

Michael Atkin, senior vp, corporate director-media resources, DDB Needham Worldwide, New York, predicts good growth opportunities for local cable, but not until the systems operators in each geographic market work together to facilitate sales,

something they're not yet doing.

Radio

Industry officials and some media directors say radio will keep up the growth pattern established this year, with local spot spending pegged to increase about 8%, network spot up 3% to 5% and network sales 14%.

"We see evidence radio will continue quite strong," says Joseph Ostrow, exec vp-communications services, Young & Rubicam, New York, "because it's one of the most efficient media for targeting by geographics, demographics or life style." Locally, business-to-business advertisers and certain other specialty retailers have moved into radio and gotten quite comfortable with it, adds Mr. Atkin, who expects that trend to persist.

Radio is regarded as the natural beneficiary of a slow-growth economy, and some experts think its networks will be able to command healthy price in-

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Challenging road ahead

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didn't materialize." Many thought 1985's dip could be explained by the fact that the Olympics and elections had fattened 1984's figures. But the experts say several factors made the networks more vulnerable this year—and will keep the market soft in 1987.

For one thing, the availability of 15-second spots is swelling the nets' total inventory, and the experts predict they will represent about one-third of all network units sold in 1987, up from 19.5% during the first half of 1986, according to Television Bureau of Advertising and Broadcast Advertisers Reports.

Then, too, other broadcast options are playing a bigger part in the game. Barter syndication and cable "are achieving credibility as part of the mainstream of media buying rather than as secondary media," says Jack Myers, president of Infomarketing, a Fairfield, N.J.-based

media research company. In fact, these media alternatives have eroded the networks' share of audience while giving advertisers new places to put their money.

Alec Gerster, exec vp, director-media and programing services, Grey Advertising, New York, says the nets took 98% of all national tv revenues in 1980, and only 88% in 1985. But dur-

ing that time, national tv spending soared from \$5.2 billion to \$9.5 billion, "so the nets' decreasing shares were masked by the market's growth," he says. "Now, with total revenues stagnant or declining, that share loss really means something."

"The networks this year finally started taking a comparative attitude toward the other media," adds Mr. Kostyra. "Last

year they paid lip service to them. Before that, they paid no attention at all."

Syndication, which grew from a \$300 million ad medium in 1983 to an estimated \$630 million business this year, has earned its stripes as a viable medium because of its efficient prices and quality programming, says Mr. Drexler. And cable,

(Continued on Page S-8)

Media directors predict

(Continued from Page S-2)

creases next year. However, Mr. Drake says network radio's strong start will be followed by a rate drop because of buyer resis-

tance and a movement back into network tv.

Newspapers

BJK&E's Mr. Drexler pre-

dicts 7% growth for newspapers. He says cooperative and retail advertising will remain relatively firm because of business' increasing dependence on price-item advertising.

However, he says if the economy keeps struggling, classified

will drop and drive down overall newspaper revenues.

More national advertisers will move into newspapers as the industry takes steps to shrink the gap between national and local rates, says Mr. Drexler. But other media directors say not enough is being done to correct the problem.

Mr. Drake adds that newspapers over-all like magazines, have been hit by the decline in tobacco, liquor and computer advertising.

Magazines

Magazines could have a tough year, say the experts. Most say the rise of the 15-second spot and the fall of liquor, tobacco and computer ads will hold revenue growth to 5% or less.

Special-interest magazines will have an edge in the tight economy, says Mr. Drexler, because their lower absolute page costs allow advertisers to maintain program continuity on a tight budget.

Mr. Drake predicts magazines will hold rate increases to 5% or less and they'll be much more likely to negotiate or offer creative rate packages.

He's bullish on fashion, personal finance and health and fitness, but pessimistic about women's service magazines, newsweeklies and male magazines.

Outdoor

The outlook can't be rosy for an industry whose biggest advertisers are alcohol and tobacco products, but media directors see some bright spots on the horizon.

Healthcare, consumer services and business-to-business advertising could pick up some of the slack, says Mr. Drexler.

Mr. Drake says while business is soft for 30-sheet bulletins, eight-sheet posters are gaining some acceptance from package goods advertisers who like being located near retail outlets. And he says outdoor boards near airports and other prime areas are being used to tap a hard-to-reach upscale audience.

Direct mail

Industry sources say direct mail will continue to outpace general media with over-all growth in 1987 in the 12% range.

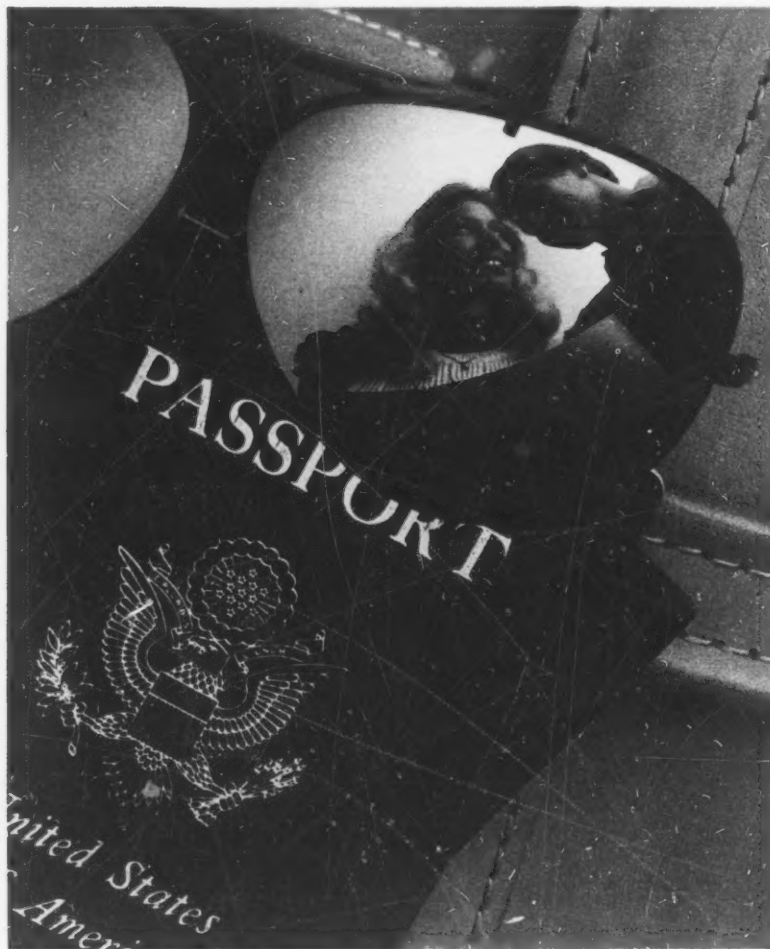
Direct mail's 1986 expenditures are projected at an estimated \$17.3 billion, according to DDB Needham estimates.

Major retailers are expected to make greater use of direct mail to build store traffic and target promotions to specific customers, as well as to generate direct catalog sales.

—Lori Keeler

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Challenging road ahead

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which has reached nearly 50% penetration, now claims more than \$700 million in ad revenues, up from \$320 million three years ago.

Some say the nets' pricing strategies will hurt cable and barter syndication in 1987. Mr. Gerster notes, however, that advertisers could have bailed out of the alternatives at the first sign of softening network prices this year, but didn't. "I think that shows some fundamental support for those media," he says.

National and local tv spot sales surged an estimated 6% and 10% this year to \$6.4 billion

and \$6.1 billion respectively, according to BJK&E. National spot easily outpaced the nets as major advertisers zeroed in on high-potential geographic areas.

Local spots' hefty gains are attributed to at least two things: The channeling of manufacturers' ad dollars into local dealer co-op plans and the migration of local retail dollars from newspapers into spot tv.

Radio expects to collect an estimated \$7.1 billion in revenues this year, up 8% from 1985, according to a Radio Advertising Bureau official. National spot radio has made only marginal gains, but local spot has been buoyed by solid local retail

spending, and network radio is having a smashing year with revenues soaring nearly 15% to

Budget-minded advertisers are flocking to [network radio.]

\$378 million.

Network radio represents only 5% of the total radio market,

but media experts say budget-minded advertisers are flocking to it.

The Publishers Information Bureau reported magazine revenues up 4.8% for the first half of 1986 with ad pages down slightly. The decline in tobacco, liquor and computer advertising has hurt the magazine industry as a whole—and business books and newsweeklies in particular. Mr. Atkin says magazines also are getting pinched by catalogs, some of which are adding editorial material to enhance reader interest, as well as carrying advertising.

But the media experts say fashion books and certain specialty magazines are relatively healthy; so are personal finance books, maturity market maga-

zines and city and regional publications. "It's the continuation of a long-running trend to more selectivity and more targeted marketing strategies," says Mr. Ostrow.

BJK&E projects that strong local retail spending will push this year's newspaper ad revenues 8% to 9% ahead of 1985 with virtually no increase in total circulation. Agency media directors say national ads make up only 13% of all newspaper revenues because papers tend to give priority to local retailers with rates an average 65% lower than national rates.

And they say the rate gap has grown larger during the past decade, so that some metropolitan dailies now charge national advertisers almost twice as much as local retailers. "Newspapers don't really seem to think of themselves as a national medium," says Mr. Atkin.

But, he says, as local retailers stake more interest in broadcast

... national ads make up only 13% of all newspaper revenues because papers tend to give priority to local retailers.

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media, newspapers finally may have begun to court national accounts with the lure of more special sections, the benefit of standard ad units, better ad positioning and more flexible pricing.

Outdoor advertising's revenues are expected to increase about 8% this year to \$1.3 billion, up from \$700 million in 1980, according to BJK&E.

Outdoor has been hurt by its dependence on two declining categories, tobacco and liquor. But the experts say it's moving aggressively to attract retail, healthcare and consumer services advertising.

Mr. Atkin says the major outdoor companies are investing in new structures, searching for new kinds of accounts, and bringing new creative techniques to their ad product and their marketing strategies. "The suppliers are getting involved in the marketing aspect of the business. Instead of just offering locations, they are keying in on certain neighborhoods and demographics so they can offer advertisers high frequency and selective focus," he says. "The more they do that, the more opportunities they'll see."

This year brought about momentous changes in the media picture. Experts say it's more of a buyer's market today—and will be from now on. In fact, 1986 may go down in history as the year Big Advertisers and Big Media stood eyeball-to-eyeball, and Big Media blinked.



An American Express Company

Rate hikes likely to reflect rise in total inflation

By Robert J. Coen

After nearly a decade of double-digit increases and an immunity to economic slumps, media rate hikes are finally moderating.

While double-digit general inflation ended in 1982, media prices continued to rise, fueled by exceptional ad demand from

Robert J. Coen, a recognized authority in the field of media forecasting, is senior vp, director of forecasting at McCann-Erickson, New York.

a growing computer industry, by the effects of deregulation and

by the appearance of rebate ads. In 1983 and 1984, the expanding

economy and the Olympics kept budgets rising.

Last year, the scenario darkened. Media prices softened, tv networks' ad revenues declined and many magazines and newspapers experienced a drop in ad pages. Media disinflation had arrived.

This year, the more moderate pace at which advertising is increased was finally fully recognized and accepted by all sectors of the advertising industry. Media price increases were closer to the general inflation rate than they had been in years. These trends are expected to

continue into the near future.

Network tv

The last time tv networks enjoyed the luxury of a seller's market was 1984, an Olympics and election year. Upfront deals for the 1983-1984 season were negotiated at prices 10% to 20% higher than previous season levels, and scatter price increases were nearly as large



through the summer of '84. By fall, the pendulum had swung in the buyer's favor. Rate increases for the next tv season were significantly smaller than in the past, but still well above inflation.

During 1985, advertiser resistance swelled. Most of CBS' and ABC's scatter inventory went at bargain prices. Commitments for the 1985-1986 upfront season were made with practically no price increases, except from NBC. Scatter buys made during the following spring were at rates 20% to 30% below upfront levels.

Over-all price increases for 1986 will be a mix of a few large increases, some large decreases, with most units showing modest gains of 3%.

Upfront prices for the 1986-1987 season rose moderately. In 1987, there should be a modest improvement in demand, with slightly higher network rate increases of 4%.

Spot tv

Spot tv's demand also boomed in 1984, and rates that year rose faster than inflation. In the second quarter of 1986, however, spot started feeling the heat of media disinflation.

Nevertheless, this year's average 4% increase in spot tv still registers slightly higher than current inflation. In 1987, spot's prices are likely to rise 5%. In the next few years, the demand for spot tv may be affected by the growing availability of lower-priced network units, especially the 15-second spot.

Cable tv

Last year, cable networks were finally recognized as realistic alternatives to broadcast networks, with much lower unit prices.

In 1986, because of improved audiences and growing demand, cable prices rose a sharp 14%. In 1987, with more demand for ad positions in programs that deliver targeted, desirable audiences, prices will rise accordingly. Cable's 1987 unit rate increases should be around 8%.

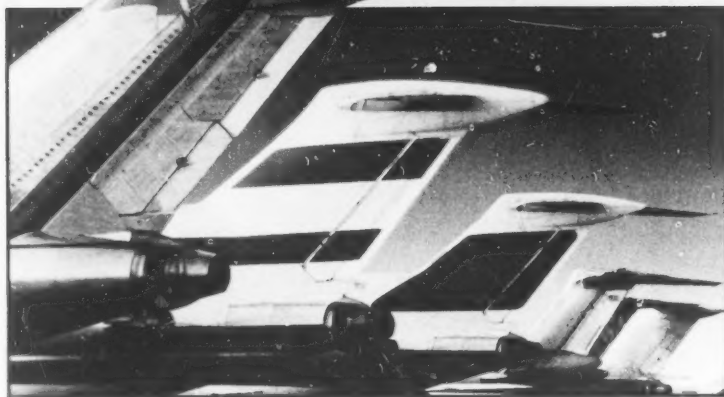
(Continued on Page S-12)

Average annual price increases

Prices	1983	1984	1985	1986	1987*
Consumer prices	3.2%	4.3%	3.6%	1.9%	3.2%
GNP deflator	3.9	3.9	3.3	2.7	3.1
Media cpms					
Network tv	8.9	13.0	7.8	4.0	4.0
Spot tv	8.1	9.7	6.1	3.8	4.3
Cable tv	n/a	14.0	8.0	8.0	4.0
Magazines	7.8	8.1	7.9	5.0	4.0
Newspapers	9.0	9.0	7.0	7.1	6.0

*estimated
Source: McCann-Erickson

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¹Metropolitan Transportation Commission, 1985 ²San Jose Continuing Market Study, Belden Assoc., 1985

Rate hikes

(Continued from Page S-10)
higher than those of any other medium.

Network radio

The wired radio networks' revenue has soared in the last two years, and greater demand has resulted in fast-paced price increases. In 1986, network rates should show an above average increase of 8%. In 1987, some moderation is expected, but the rates should again be among the highest of all media—6%.

Spot radio

Spot radio enjoyed an excellent year in 1985, and rates were rising at the start of 1986, but softened somewhat as the year unfolded. Rate increases for 1986 should average 6%. Price competition among stations has intensified, however, and 1987's rate increases are expected to be more moderate at 3%.

Newspapers

Because of their monopoly in most markets, newspapers tend to ask for above average rate increases. But lineage has declined and orders have shifted from run-of-press space to inserts, so rate hikes are slowing.

In 1986, increases will be around 7%. More moderation is expected for 1987, with rate hikes of 6%.

Magazines

Magazine ad pages have been contracting since they peaked in 1984. Intense battles for shrinking ad volume have led to price discounts or announcements of modest future rate increases. In 1986, the average increase in magazine rates will be 5%—the lowest in years. In 1987, it will be even lower, 4%.

Outdoor

Cigaret and liquor advertisers have continued to modify their outdoor budgets, and rates in many markets are coming under pressure. In 1986, the congressional and gubernatorial elections have helped sustain demand for outdoor space, but rate hikes of 5% reflect a slowing down. Softening should continue in 1987, with moderate price hikes of 5%.

Direct mail

No increases in postal rates are expected through the end of this year, but over-all direct mail costs will jump 3% because of rising list charges and production expenses. The modest rate increase will creep upward in 1987 to 4%, as most of the economies of scale are exhausted. Some time during the year the postal rates could be raised.

Over-all, the economic outlook for 1987 is guarded. Most media rate increases will be close to the expected 3% rise in total inflation. By 1988, a presidential election and Olympic year, media prices may inflate modestly if the economy resists a recession. But even given the most optimistic scenario, we aren't likely to see rampant media inflation again for years.

Media unit* cost trends (1967=100)

	1983	1984	1985	1986	1987**
Newspapers	336	366	395	423	448
Magazines	237	256	276	290	302
Network tv	394	445	476	490	510
Spot tv	342	376	399	415	436
Network radio	300	321	347	375	397
Spot radio	248	273	289	306	315
Outdoor	363	396	428	454	477
Direct mail	290	282	302	311	324
Composite	318	342	367	386	405

*A unit in the various media listed includes a single black and white page for newspapers, a four-color ad for magazines, 30-second spots for network and spot tv, one-minute spots for network and spot radio, a 100 showing in outdoor (100 GRPs which is the reach and frequency of 1-amount of boards per day) and 25,000 pieces of direct mail.

**Estimated

Source: McCann-Erickson

Media cpm trends (1967=100)

	1983	1984	1985	1986	1987*
Newspapers	314	342	366	392	415
Magazines	221	239	256	271	282
Network tv	318	359	387	402	418
Spot tv	268	294	312	324	338
Network radio	244	259	280	296	310
Spot radio	207	226	241	253	258
Outdoor	286	309	332	344	359
Direct mail	290	282	302	311	324
Composite	287	307	328	345	362

* Estimated

Source: McCann-Erickson

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Heyday of 15-second spots falls behind schedule

By Dennis Freeman

After five years of partial acceptance and continued speculation about its value, the 15-second spot has come of age. In the 1986-1987 season, for the first time, all three networks are accepting stand-alone 15s in

prime time, and many major advertisers are including the shorter commercials in their media strategies.

But so far, while 15s certainly have experienced steady growth, they haven't exploded onto the screen the way observers originally expected. When the unit first hit the airwaves in 1981,

many predicted it would become the standard commercial unit by the end of the decade. In last year's fourth quarter, some agency executives expected 15s to represent 35% to 40% of all network units sold by the end of season. This year, network salesmen estimated that 15s would account for 30% of 1986-1987

upfront prime time inventory.

There's no way to tell what will transpire by 1990, but neither of the latter two predictions has materialized. In the first half of 1986, 19.4% of all network tv commercials were 15 seconds in length—up from 10.1% at the end of 1985, according to Television Bureau of Advertising and

Broadcast Advertisers Reports. Network and media sources estimate that this percentage has held steady in the second half of 1986. And demand for 15s in this season's upfront market has been soft, say ABC and NBC sources.

"There isn't the volume that we anticipated," says Jon Newvig, NBC vp and general sales manager for the East Coast. "We're probably up to 10% or 11% in prime time, heavier in daytime."

ABC's "very rough estimate," according to a spokesman, is that 15s comprise 15% to 20% of total inventory. CBS declined to give an estimate.

And despite the recent availability of solo 15s, most of the spots still air as "split 30s," back-to-back 15s advertising different products from the same manufacturer. Most 15s are used by regular network advertisers—primarily multi-brand package goods and beauty product companies—instead of the smaller, new advertisers observers expected would flock to tv as a result of the medium's increased affordability, according to media sources.

"You can count on one hand the number of 15-second spots that are original, creative [material]," says Roger Rice, president, Television Bureau of Advertising. "All the rest are cut-down 30-second commercials."

The use of 15s remains largely confined to the networks. In 1985, 15s accounted for 1.3% of non-network tv commercials; three months into 1986, the figure rose to 3.2%, according to TvB and BAR statistics.

"Fifteens have not been all that significant in the spot market," says New York-based Katz Television Group president Peter Goulazian. "We've measured them to account for no more than 1% or 2% [of Katz's spot sales]."

At the local level, stations already sell 10-second spots to smaller advertisers at a premium of 60% of a 30, and see little reason to follow the networks in offering 15s at half the price of a 30.

"The rate for our 15-second spot ranges from 60% to 80% of a 30, depending on whether it's a split 30, a stand alone, or has guaranteed placement. At this point, with the small inventory of 15s that we're airing, we probably have taken a fairly hard line in our rate negotiations," says Al Seethaler, general manager, KUTV-TV, Salt Lake City. For the week of Sept. 22 to 28, for example, KUTV aired two 15-second commercials, compared with 1,407 30s and 37 10s.

One reason 15s haven't taken off as expected is that network rates have moderated. "Cpms (Continued on Page S-16)

Dennis Freeman is a Kentucky-based free-lance writer who regularly contributed to *Crain Communication's Focus*, *Advertising Age's European* sister publication, while he lived in London.

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Commercial activity by unit length

Network television spots

	10 sec.	15 sec.	30 sec.	60 sec.
1980	0.7%	0.0%	94.6%	1.9%
1981	0.9	0.1	94.2	1.5
1982	0.9	0.1	93.7	1.5
1983	0.9	0.2	93.8	1.8
1984	1.0	5.2	89.2	2.1
1985	1.3	10.1	83.5	2.2
Jan.-June, 1986	0.6	19.4	75.1	1.8

Non-network television spots

	10 sec.	15 sec.	30 sec.	60 sec.
1980	7.8%	0.0%	85.1%	3.9%
1981	7.1	0.0	86.2	3.4
1982	6.0	0.0	87.5	3.3
1983	6.0	0.0	87.8	2.9
1984	5.8	0.4	88.2	2.8
1985	5.5	1.3	88.0	2.7
Jan.-June, 1986	4.9	3.2	85.2	3.1

Source: Television Bureau of Advertising from data supplied by Broadcast Advertisers Reports (BAR)

for the 15-second spot. Many, in fact, remain wary of the unit. "In concept, 15s sounded very attractive to advertisers," he says. "They could get 15s at half the cost of a 30, while commercial testing revealed that a 15 was 70% as effective as a 30. But I think advertisers have become somewhat concerned about making their most important ad medium less effective by increasing the [number of] commercials on television."

Mike Hedge, associate media director, BBDO, New York, says the current research on the effectiveness of the 15-second spot is based on an environment in which 30s are the norm. "When the environment shifts to where 15s are the norm," he says, "I think the research will show the

relative value of the 15 is not the same as it is today. The 30 may stand out more, and have greater cost-effectiveness."

Agencies also question the shorter unit's effectiveness for selling new products and introducing new campaigns, Mr. Rice says. "Those using the spot are using it simply as a reminder, for brand recognition. Most agencies responsible for moving merchandise aren't convinced that a 15 can do the job."

Sean Fitzpatrick, vp, director-creative services, Campbell-Ewald, Warren, Mich., says agencies also are resisting because they haven't come to terms with the creative possibilities of the 15-second spot.

On the other hand, numerous marketers, particularly those

that use 15s to stimulate brand awareness of established products, appreciate the fact that the shorter spots enable them to hold the line on media costs and increase the frequency of their messages.

Henry Wittemann, vp-advertising services, Alberto Culver Co., Melrose Park, Ill., says 15s have worked very well for the company. "The shares of products at retail prove that the results are very satisfactory. This year, we're using 15s exclusively for all established brands."

Currently, networks are attempting to control commercial clutter by decreeing that only two 15s may run in each commercial pod (break). Viewers are seeing, at most, only one extra commercial per pod, a number

Fifteens

(Continued from Page S-15)

[costs-per-thousand] basically were down this year, so we didn't need to cut back on 30s," says David Braun, director-media and program services, General Foods, White Plains, N.Y.

Another reason is that tv stations, advertisers and agencies aren't completely sold on the shorter unit. Says KUTV's Mr. Seethaler, "The reality of the market is that you cannot sit on the sidelines and watch the money go by. It would be nice to be a purist and say we will not accept 15s, but in a competitive market, that's unrealistic."

Non-network tv stations aren't fond of 15s because they add to the clutter already created by 10s, which the stations are more familiar with and have been running steadily since tv's earlier days.

The networks have been reluctant to accept the shorter units because they make clutter harder to control, and virtually double the computer time needed to track commercial placement, media inventory and billings, sources say. Networks managed to resist advertiser pressure to make 15s available in prime time through the early 1980s. Then last year, in an attempt to combat softening rates, CBS began accepting the shorter unit in all dayparts.

"ABC and NBC held out as long as they could," says NBC's Mr. Nesvig, "but then the judgment was made that we couldn't be competitive [unless we did the same.]"

Far from increasing network revenue, many observers say 15s have helped to soften the market. "The 15s certainly have had an effect on pricing," says Gary Carr, director-network operations, SSC&B/Lintas Worldwide, New York. "Network pricing has been kept under control because a lot of brands have been able to run 15s instead of 30s, and keep the same advertising weight at half the price."

Adds Mr. Nesvig, "Other forces have been keeping advertising rates down, but the increased use of 15s has had something to do with the correction in daytime cpms."

According to Mr. Goulazian, not all advertisers are clamoring



Advertorials make money, stir debate

By Belinda Hulin-Salkin

most agencies and advertisers say viewers will tolerate. As the demand for 15s increases, however, networks will come under pressure to permit more than two 15s per pod, and clutter may pose a greater problem.

Even though 15s haven't grown in the tidal wave proportions originally predicted, some agency executives still say they will eventually comprise a large portion of tv inventory.

"They will be insidious," says Stanley Becker, exec vp-creative director, DFS Dorland Worldwide, New York.

"They will slowly crop into our view," he says. "Twenty-five per cent of the work we now do is for 15s. Maybe in three or four years, they will become the rule."

Somewhere in the twilight world between magazine advertising and editorial content, advertorials have firmly taken root and now flourish.

The genre isn't new; advertorials have been around for more than a decade. And, while there are no industry figures

measuring their growth, observers say the use of these ad vehicles has become more widespread and frequent in recent years, as individual magazines fight an industrywide advertising slump.

Indeed, advertorial revenues have been known to increase in some magazines, as run-of-press ad revenues decline. Sources say advertorials can account for as much as 14% of ad revenues.

Advertorials have been around for more than a decade. And, while there are no industry figures

measuring their growth, observers say the use of these ad vehicles has become more widespread and frequent in recent years, as individual magazines fight an industrywide advertising slump.

tors like them because they bring in extra ad dollars, and often, new advertisers. Readers are drawn in by the editorial content, which directly relates to the product or service being advertised.

In the interest of editorial purity, however, most editors, would rather pretend these hybrids don't exist. That may get harder to do.

Publishers argue about what to call these sections, how to improve them and what their actual impact is on ad revenues, but no one expects them to disappear.

"We do very well with advertorials and I think our advertisers have gotten very good results," says Stephen Nicoll, advertising director, *Forbes*, New York. "Of course, the success of an individual section largely depends on the concept, the subject matter and the quality of



Business Week's approach to advertorials is to shun the term, but not the concept.

the write-up."

Forbes is heavily committed to advertorial products, running as many as 400 ad pages yearly in its 24 to 26 special ad sections. In 1986, advertorials contributed an estimated 8% to the magazine's over-all ad revenues.

"The use of advertorials is definitely on the rise. We really use them to draw new advertisers into the book," explains Mr. Nicoll. "It gives them an opportunity to run their message surrounded by relevant text, and it gives us a chance to show off the pulling power of the magazine."

Mr. Nicoll balks at the idea that advertorials—produced and written by agents hired by the ad department—compromise

(Continued on Page S-18)

Laura Lewis, Aerobics Program Director, Dallas, Texas

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*Media Records: 1985 **ABC Publisher's Statement, March 31, 1986. Represented nationally by Cressner Woodward, O'Mara & Christie, Inc.; Grant H. Webb & Co., Inc.; The Cohn Turner Group; The Leonard Co.; Lenha Haws; Publications Representatives International, Inc.

Economy may stunt tv networks' future growth

By Verne Gay

At a recent New York press briefing, the new acting chief executive officer of CBS made a pronouncement that could become one of the more prophetic statements about the future of network tv rates.

"I think we've come through a decade of above-average growth in advertising expenditures," said Laurence Tisch. "And that decade is over. We are in a new decade, where growth in advertising expenditures will be more in line with the growth in the economy."

"Add to that total framework the competition we have for growth in the media and I think that total media expenditures

NEWS ANALYSIS

will track the consumer price index."

While Mr. Tisch was not speaking directly about how much advertisers will pay for network time in the future, his remarks suggest that network tv's ad revenues—and rates—will grow little, if at all, over the next few years.

During the last year, advertiser spending slowed down—ad growth projections for 1986 are an estimated 5% to 6%, down from 7.9% in 1985.

"Even if the second half of 1986 brings the beginning of revenue improvement, the three networks' days of annual double-digit revenue gains may be gone for the foreseeable future," said Alec Gerster, exec vp and director-media, Grey Advertising, New York, in a recent report to clients.

Both 1985 and 1986 were watershed years for the networks. In this period, barter tv syndication secured a stronger presence and took a bigger piece of the broadcast pie. Its ad revenues grew from \$430 million in 1984 to an estimated \$630 million in 1986.

During this period, the networks also suffered their first year-to-year revenue decline since cigaret ads were banned from the airwaves in 1971. Total network advertiser spending in 1985 was \$8.3 billion, according to Broadcast Advertisers Reports, down 3% from the year before.

Spending in 1986 is expected to be flat while 1987 will see low, single-digit growth.

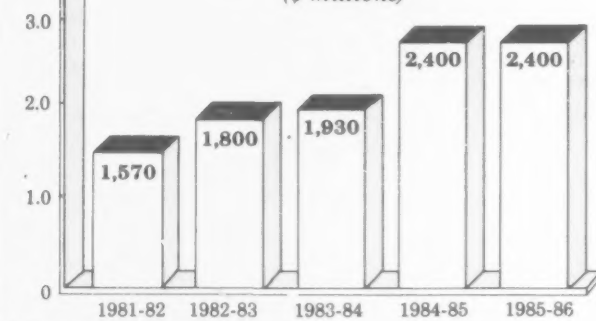
And in this season's upfront market, when advertisers purchase network inventory 52 weeks in advance, prices declined on ABC and CBS from the previous year—a first for network tv.

Each of the major networks also underwent top management and ownership changes in 1986. This, however, is not expected to significantly affect the network rate structure. The new managers have concentrated primarily on streamlining and cost cutting, not on new sales strategies.

In October, Rupert Murdoch's News Corp. Ltd. engineered the first global tv sale. The Gillette Co., working through Omnicom Group's BBDO agency, purchased time on Murdoch's European-based Sky Channel, Network Ten in Australia and Fox Broadcasting's "Late Show Starring Joan Rivers." Such a sales tactic could eventually help U.S. marketing efforts for the newly formed fourth network. If advertisers purchase time on the global network, Fox could offer preferential rates on FBC, adding to the competition for tv advertising dollars.

Two other recent developments will have an impact on network rates: The networks' decision to accept "stand-alone" 15-second spots in all dayparts,

Total network prime-time
upfront revenues
(\$ millions)



Source: Grey Advertising estimates

and the introduction of people meters to measure tv household audience ratings next year.

In the 1986-1987 season, all three networks began accepting stand-alone 15s in prime time. This season's demand for the shorter unit appears to be falling short of the 30% figure network salesmen were anticipating. However, network sources predict the unit will eventually attract advertisers that had been priced out of network prime time during the inflationary years. If this occurs, they hint, demand for the unit will increase—and so will the price. Currently, network 15s go for 50% the cost of a 30-second spot.

An alternate scenario has the supply generated by 15s far exceeding advertiser demand for network spots, and rates, along with earnings, declining.

Next year, Audits of Great Britain, the London-based research company, will begin a U.S. rating service using data from people meters. The meters, which combine the functions of diaries and black boxes in use for the past 25 years, record all information electronically, rather than with the pen and

paper method of diaries.

A.C. Nielsen Co. is converting its test of people meters to an operational service in September, 1987. It will decide in December whether to supply advertisers with data taken only from people meters, or to integrate people meter results with conventionally recorded household ratings.

Early test results from both Nielsen and AGB revealed that people meters showed lower audience levels than those reported by the conventional meter/diary system as well as different viewing patterns in certain demographic groups. If Nielsen supplies only people meter data, and if audience levels are lower than previously recorded, advertisers presumably will pay less for network

units.

Both developments, however, are taking a back seat to the most elemental trend gripping the networks: The general flattening of spending patterns. The top 30 television advertisers generate exactly one-half of all network revenues. In 1984, these advertisers' network billings represented 70% of their total tv spending, which includes local and national spot spending. By 1985 that level had dropped to 67%. While 1986 figures are not yet available, many experts say these advertisers will continue to shift funds from network tv into syndication or national spot spending.

In 1985, American Telephone & Telegraph, Anheuser-Busch, Coca-Cola Co., Dart & Kraft, General Mills, General Motors, Johnson & Johnson, PepsiCo., Philip Morris Inc., Sara Lee Corp., Sears Roebuck & Co., Sterling Drug, and Warner-Lambert Co. reduced their network tv budgets. Ford Motor and McDonald's Corp. were among the top spenders to substantially boost spending.

Gains in spending by specific category advertisers were offset by declines in other categories. While wine coolers—a relatively small category—foreign autos and cereals increased spending considerably, key categories such as package goods, domestic autos and beers were flat or down.

Late last year, the slowdown in network spending and declining network rates began to have a profound effect on other media

Videocassettes flex their

Coke's doing it in Europe, Cadillac is beginning to use it and home-gym kingpin Soloflex pioneered it. Pushing products via videocassette—by placing ads on home movies or by using the entire cassette as a marketing tool—is on the move.

The Coca-Cola Co. turned a new page in advertising history by affixing soft-drink commercials to the beginning of the European cassette version of "Ghostbusters," produced by Columbia Pictures, a Coke subsidiary. While Coke sources say the company has no immediate plans to tack its commercials on RCA/Columbia's U.S. video releases, there is speculation that this could change by the end of 1987.

Video companies are keeping abreast of the Coke experiment. "MCA video has no immediate plans to put consumer ads on its video releases," says Jane Ayers, media director, MCA Home Video, Universal City, Cal. "but we're definitely aware of the [Coke] situation, and will watch what happens."

Should soft drink or other commercials begin appearing on U.S. video releases, consumers aren't likely to dive for the

zapper. In a recent survey of more than 400 vcr owners conducted for Benjamin Co., a video marketing company in Elmsford, N.Y., 63% of the respon-



Coke commercials were added to European cassette versions of the movie "Ghostbusters."

dents said they would watch commercials at the beginning and end of tapes they purchased; 60% said they would rent tapes with ads on them.

Marshall Field & Co. is using the medium for a direct marketing campaign. To announce the October opening of its San Antonio, Tex. store, the company spent \$100,000 on 7,500 videocassettes, which were mailed to affluent local residents. The cassettes highlighted the store's merchandise and encouraged credit card applications.

In a similar marketing move, Cadillac will use videocassettes

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As network scatter prices fell, ad dollars that had previously been earmarked for other media shifted to the networks. Even this, however, wasn't enough to turn the networks around in 1985.

On the brighter side, daytime network tv, for two years one of the weakest network dayparts, began to rebound strongly in this year's late third quarter. And late night—particularly on CBS and NBC—was the strongest network daypart this year because of its cost efficiency in reaching adult men.

Also, the networks' scatter market took a healthy turn in September by tightening in five day parts.

Currently, scatter rates are running 5% to 15% over prices paid in upfront, and because upfront pricing varied from +5% to -5% depending on the advertiser, network or daypart, this means over-all pricing will still be flat for the quarter.

The scatter market's upswing reflects the way the networks sold their 1986-1987 upfront inventory.

Except for NBC, which had the strongest pricing in the upfront market, both ABC and CBS oversold their inventory, assuming there would be little advertiser scatter money available in following quarters.

Ironically, the money materialized, pushing network fourth-quarter scatter rates up.

The dynamics of the marketplace led to the fourth quarter's big performance. But several sources say additional money had filtered into the marketplace as well. If this trend continues, scarce network scatter inventory through 1987 could fetch very high prices.

Insert publishers retool as profitability sags

By Paul Edwards

Only a year ago, business was booming in the free-standing insert business.

Couponing was at an all-time high. Some 180 billion coupons were distributed in 1985 and the inserts carried more than 60% of them. And pricing was solid, with most advertisers in the package goods, household products and over-the-counter drug categories paying about \$7 per page per thousand distribution.

Of the four insert publishers, three of them—Valassis, Farmington Hills, Mich.; Product Movers, New York, and NCC, Westport, Conn.—were setting records. Only the insert published by John Blair Marketing, New York—bought by Quad Graphics last year—was in trouble because of underlying problems at parent John Blair Corp.

Quad has now reestablished its insert, but MCA's NCC Sunday Inserts has been dropped, a victim of the problem-plagued industry. Over the past year, publishers have committed to more issues, each carrying fewer pages, rather than the added pages they had hoped for. The dramatic increase in production and distribution costs for the additional issues greatly reduced profitability, forcing NCC's sale to Valassis Inserts.

And as a result of a yearlong price war, the average price per page has dropped from last year's \$7 to the mid-\$5 range, with some pages in so-called national editions going for \$4.50.

For major package goods ad-

vertisers like General Foods, Procter & Gamble and Colgate-Palmolive, lower prices translate into millions of dollars in savings. But for the producers of fairs, profit margins have eroded severely, though there is hope NCC's departure will help prices come back.

Advertisers don't necessarily agree that prices are too low. At one package goods manufacturer, a promotion director says that with one fewer publisher, fairs will likely carry more pages, making them more cost-efficient. Any cost savings that result should help them lower prices further, she said. But at RJR Nabisco Broadcast, an fairs buyer said he expects that prices may begin a slow climb upward.

"The real key to restoring profitability will be innovative marketing," says Ken Bortner, chairman, Product Movers.

Valassis continues to lead the market, as it has done for years, but its page count per issue has fallen in the past few months. The major reason, according to most observers, is simply the greater number of issues that Valassis is printing this quarter. Late last year, as the Blair insert was being sold to Quad Graphics, Valassis added four new dates to this quarter in an effort to provide an alternative to Blair's customers.

Quad Graphics claims its insert, a year after being purchased, is making money. And it has achieved profitability with an innovation that took all others in the industry by surprise.

This month Quad introduced

the industry's first rotogravure edition. Unlike the traditional fairs printed on an offset press, the roto will be limited to advertisers that purchase the full national run of about 48 million circulation. Roto advertisers will not be able to pick and choose individual markets as they can with the web fairs. Nor will they get perforation or sequential numbering of coupons.

But roto advertisers will get the industry's lowest price ever, as little as \$4.50 per page for some categories. "Response to the first Quad roto has been so good," says president Paul Moschetti, "that Quad is now planning nine roto dates in its 1987 schedule."

Perhaps the most significant change is being pioneered by Valassis and Product Movers. Both are attempting to go outside the traditional client universe for new advertisers. Valassis has been running ads from Doubleday Book Club. Product Movers has taken an ad from Maytag. Further, with its consumer card, a tipped-on post card, Product Movers is seeking business from financial services companies, like credit card marketers.

Such changes will likely meet with resistance from the newspapers that carry the inserts. But just as likely, if the inserts prove to be an efficient medium for these "new" advertisers, the inserts will prevail. At a price of \$6 to \$7 per page per thousand for four-color reproduction, they are easily less than half the price of newspaper run-of-press.

Undoubtedly, newspapers will

fight back. Some may try turning inserts away at the loading dock if they carry ads they deem competitive. Others may attempt to add surcharges to their insertion fees. But most observers feel that, in the not too distant future, fairs will be carrying more ads and promotions for advertisers outside their traditional marketing area.

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to introduce its Allante, General Motors' first ultra-luxury car. While no release date has been set, Cadillac sources say the video will be mailed to prospective buyers depending on the car they own, club membership and home address. Cadillac will spend an estimated \$10 million advertising and promoting Allante in 1987, with a sizable chunk going toward producing and distributing the video.

Soloflex Inc. has been successfully using videocassettes to market its \$900 home-gym machine since 1983. The Hillsboro, Ore.-based company sends a 22-minute informational cassette to potential buyers who request it through an advertised toll-free number. The cassette has been generating a 7% purchasing response level, compared to a 3% response from a printed brochure. The video cost \$150,000 to produce, with each copy costing \$6.50 to process and mail.

"If another product comes along that we feel we can market on video, we won't hesitate to do so," says Karen Schneider, assistant director-media and marketing, Soloflex. "You can't believe how successful that campaign was."

Likely prospects for tacking their ads onto home videos

are traditional package goods advertisers whose message can be stated quickly. Companies with new or more elaborate, high-price products, on the other hand, would most likely opt for using the entire cassette as a direct marketing tool.

To be successful in the latter type of video advertising, says Ron Kaatz, media concepts director, J. Walter Thompson USA, Chicago, "the program must be geared toward the affluent consumer. They're the ones who will actually purchase products off of video."

While some are optimistic about videos as a marketing tool, Mr. Kaatz isn't quite sure. "Advertising on videocassette has some potential," he says, "but is the potential worth the extreme costs? You can buy a spread in a magazine and reach an assured circulation of 100,000, while with a videocassette you may only reach 200."

"Marketers must realize that this is not just a highly fashionable medium," he says. "If they don't have a concrete plan, and control over what they're doing, the costs could kill them."

—Christopher Colletti

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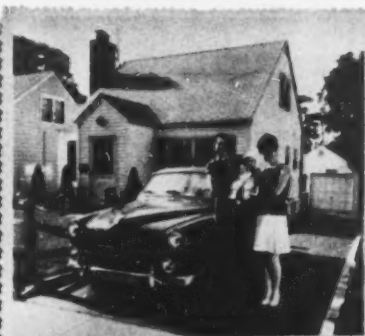
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Both of us have come a long way since then.

You, for example, may have reached that point in life where you view a car not as a necessity so much as a reward.

And we have reached a point where we can create a car like the Volvo 760 Turbo.

A car that surrounds you with every comfort a person of means could want in a car. A turbo-charged phenomenon capable of embarrassing cars much more famous for performance.

Admittedly, the Volvo 760 Turbo is an indulgence.

But underneath you'll discover it's still a Volvo. A totally sensible car with an enviable reputation for durability and safety.

A car that lets you indulge your senses.

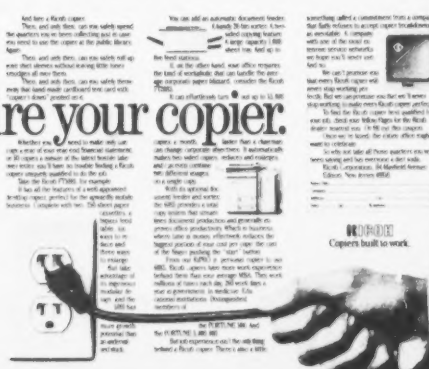
Without taking leave of your sense.

VOLVO

A car you can believe in.

Would you tolerate an employee who's anti-social, antagonizes other employees, wastes office supplies, requires constant professional help and makes a habit of taking unscheduled vacations?

Then fire your copier.



There's something about the look of this ad—Chiat/Day's creative—that gets us every time. (We've picked similar ads for Apple Computer from C/D.) This ad from the agency's New York office uses a great full-page teaser line, run in reverse type, to urge business people to consider Ricoh copiers in a spread that follows. Creative director: Bill Hamilton; copywriter: Penny Kapousouz; art director: David Nathanson.

Scall, McCabe, Sloves, New York, uses the same tack in both print and tv for Volvo—a duotone alongside color to compare present and past. Both the art and the headline work well in both media. Associate creative director and copywriter: Larry Cadman; associate creative director and art director: Earl Cavanah; photographer: Calor Resnick Photography.

FLASH REPORT: Newspaper advertising investment for August

CATEGORIES	YEAR	IN 100 THOUSANDS												IN MILLIONS												DOLLARS		CHANGE	
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	1986	1985	ACTUAL \$ G.O.R.L.	% G.O.R.L.
Amusements	1985																									\$34,460,109	\$28,139,651	+6,320,458	+22.5
Computer stores & supplies	1985																									3,746,364	3,885,401	-119,037	-3.1
Department stores	1985																									106,808,308	91,863,316	+14,944,992	+16.3
Food stores	1985																									29,230,890	27,824,040	+1,406,850	+5.1
Radio, tv, phonographs, records	1985																									20,445,067	17,479,519	+2,965,548	+17.0
General merchandise stores	1985																									50,681,627	40,815,171	+9,866,456	+24.2
Alcoholic beverages	1985																									1,869,160	2,019,695	-150,535	-7.5
Cameras, photo supplies & services	1985																									374,929	230,974	+143,955	+6.3
Computers, equipment & services	1985																									506,492	3,001,077	-2,494,585	-83.1
Public service utilities & communications	1985																									3,764,852	4,737,963	-973,111	-20.5
Publishing & media	1985																									5,952,364	5,703,402	+248,962	+4.4
Cigarettes	1985																									3,103,439	5,247,466	-2,144,027	-40.9
Airlines	1985																									7,447,732	7,873,660	-425,948	-5.4
Passenger cars-new	1985																									21,475,556	15,487,273	+5,988,283	+38.7
Banks & trust companies	1985																									4,587,815	4,512,901	+74,914	+1.7
Stock, bond & investment houses	1985																									1,449,294	1,262,552	+186,742	+14.8

This Flash Report of newspaper advertising investments, compiled for Advertising Age by Media Records, is derived from tabulations that cover 29 dailies and 23 Sunday editions in 15 cities: Atlanta, Baltimore, Dallas, Denver, Detroit, Los Angeles, New York, Philadelphia, San Francisco, Washington and Youngstown.

Source: Media Records Inc.

Retailers stoke spending

NEW YORK—Advertisers increased their spending by 13.8% in August from the same month last year in the major-market newspapers that Media Records measures for Advertising Age's Flash Report.

Spending rose in 10 of 16 categories, with department stores leading all categories with a 16.3% gain to \$106.8 million. General-merchandise stores followed with a 24.2% gain to \$50.7 million, and amusements spending rose 22.5% to \$34.5 million.

The new-passenger-car category continued to show strong gains in August with a 38.7% increase from year-ago levels, to \$21.5 million.

Other gainers were publishing and media, up

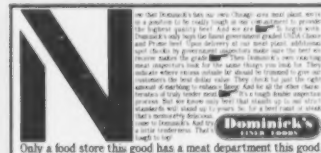
4.4% to \$5.9 million; banks and trust companies, up 1.7% to \$4.5 million; stock, bond and investment houses, up 14.8% to \$1.4 million, and cameras, photo supplies and services spending, up 6.3% to \$374,929.

Declining categories included—besides computer stores and supplies—airlines, off 5.4% to \$7.4 million; public service utilities and commissions, down 20.5% to \$3.8 million; cigarettes, off 40.9% to \$3.1 million; alcoholic beverages, down 7.5% to \$1.9 million, and computers, equipment and services, down 83.1% to \$506,492.

The Flash Report is based on SAU inch measure in 29 daily and 23 Sunday newspapers in 15 major markets.

This ad from Greengage Advertising, New York, for American Re-insurance Co. also uses an eye-catching and thought-provoking reverse-type headline to draw the reader into a no-nonsense copy block that focuses attention on tort law reform. Creative director: Reggie Troncone; art director and copywriter: Don Miller.

Gardner Advertising, St. Louis, used color very effectively in this ad for Southwestern Bell Media's Yellow Pages in Baltimore. The copy, in slightly larger than agate type, reads, "Thank you to all the businesses in the new Baltimore Metropolitan Yellow Pages. We'd list you individually, but it would take 85 ads this big and print this small..." Creative director and copywriter: Steve Puckett; art director: Marty Chapel.



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Best of Press selections are made by a committee of three: Hank Simons, vp-creative director of the Newspaper Advertising Bureau; James Dunaway, vp-information at the bureau, and William F. Gloede, Advertising Age's newspaper industry reporter. National System Inc., St. Louis, provides tear sheets to the Newspaper Advertising Bureau for much of this work.

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Advertising pages for U.S., Canadian and foreign consumer publications

November

	Current month		Year-to-date	
	1986	1985	1986	1985
— Art & antiques —				
Art & Antiques	69.2	52.6	517.6	305.8
Southwest Art	82.8	90.3	807.2	938.7
Total Group	152.0	142.9	1,324.8	1,244.5
% change		+6.3%		+6.5%

— Auto/cycle/rec. vehicles —				
Autoweek (52X)	120.4	118.2	1,480.6	1,448.9
Car & Driver	89.1	102.0	975.8	1,065.0
Car Collector & Car Classics	23.0	14.6	185.9	201.5
Car Craft	69.5	84.9	818.3	838.7
Circle Track	58.1	53.8	668.5	581.0
Cycle	28.2	40.5	464.7	556.4
Cycle Guide (11X)	23.4	30.3	407.4	430.1
Cycle World	26.4	27.3	480.1	583.9
Dirt Rider	31.9	47.0	421.7	359.1
Dune Buggies & hot VWs	81.7	96.6	953.1	1,035.3
Family Motor Coaching	134.5	137.1	1,586.7	1,602.4
4 Wheel & Off-Road	90.0	110.5	951.3	887.2
Four Wheeler	68.4	95.3	894.3	965.5
Hot Rod	76.7	63.8	689.2	666.6
Motorcyclist	18.0	23.5	479.9	410.3
Motor Trend	80.6	96.5	723.2	813.7
Motorhome	79.1	82.3	995.5	1,042.1
Rider	24.5	37.9	517.4	579.4
Road & Track	107.5	122.2	1,070.5	1,222.5
3 Wheeling	49.0	78.6	607.8	667.8
Trailer Life	101.9	108.8	1,214.1	1,326.8
Total Group	1,381.8	1,571.7	16,585.9	17,289.3
% change		-12.1%		-4.1%

— Boating & yachting —				
Boating	113.8	106.4	1,502.0	1,463.4
Chesapeake Bay	36.8	31.0	436.8	370.8
Cruising World	90.0	99.9	1,443.8	1,542.8
Lakeand Boating (10X)	57.0	54.0	686.1	645.0
Motor Boating & Sailing	132.9	140.3	1,841.6	1,813.3
Sail	103.5	94.1	1,240.8	1,420.2
Small Boat Journal (6X)	—	—	249.2	233.9
Trailer Boats (11X)	23.1	24.4	446.9	370.2
Western Boatman (6X)	31.0	33.1	226.3	266.9
Yachting	132.1	140.6	1,522.9	1,778.4
Total Group	720.1	723.8	9,596.4	9,904.9
% change		-0.5%		-3.1%

— Canadian —				
L'Actualite	134.0	124.3	932.6	756.3
Chateleine	—	—	—	—
English Edition A.	105.9	148.8	1,020.8	1,044.7
French Edition	91.8	141.0	875.1	855.4
City & Country Home (8X)	67.9	62.3	550.6	385.8
Equinox (6X)	47.5	46.0	236.0	183.0
Flare A.	97.3	92.8	905.5	771.5
Maclean's (52X) A.	245.6	194.8	1,462.4	1,390.4
Moneywise	46.3	66.1	390.9	386.2
Montreal Calendar	30.8	48.0	252.0	357.7
Montreal Ce Mois Ci	46.7	67.3	314.0	431.2
Reader's Digest	—	—	—	—
Canadian-English A.	82.5	109.5	812.1	818.7
Canadian-French A.	61.5	83.0	669.9	625.2
Total Group	1,057.8	1,183.9	8,421.9	8,006.0
% change		-10.7%		+5.2%

— Civic/fraternal —				
American Legion	26.7	25.1	273.7	285.7
Elks (10X)	22.2	20.5	187.9	194.2
Kiwanis	18.8	20.7	181.3	172.8
Lion (10X)	8.0	4.3	64.6	56.3
Rotarian	17.0	11.6	164.2	122.9
V.F.W. (11X)	31.5	27.6	285.0	279.6
Total Group	124.2	109.8	1,156.7	1,111.5
% change		+13.1%		+4.1%

— Comics —				
DC Comics	4.5	6.5	58.5	76.0
Marvel Comics Group	8.0	6.0	84.0	77.5
Total Group	12.5	12.5	142.5	153.5
% change		+0.0%		-7.2%

— General —				
American Health (10X)	64.7	86.8	565.8	502.9
The Atlantic A.	75.3	73.3	424.5	523.4
Audubon Magazine (6X)	40.0	46.0	178.0	214.0
Bon Appetit A.	133.8	142.0	929.5	995.8
Changing Times	81.6	53.2	582.4	448.6
Connoisseur	135.4	129.1	809.1	751.0
Consumers Digest (8X)	23.3	36.5	173.2	202.2
Ebony	101.2	195.3	1,024.8	1,105.0
Fifty Plus	46.6	37.4	402.3	368.1
Food & Wine	91.7	82.8	599.1	553.5
Games	15.1	23.6	170.1	194.9
Gourmet	159.1	158.6	1,049.3	1,021.3
Harper's A.	23.9	25.2	247.3	278.9
Harrowsmith (6X)	45.9	—	245.2	—
Let's Live	56.0	38.0	545.0	453.0
Life	234.5	81.9	735.2	704.3
Money	155.8	170.1	1,344.8	1,333.0
Moneyworth	—	—	44.0	51.4
Natural History	45.7	54.2	450.7	475.5
Prevention	70.2	61.4	682.3	662.5
Psychology Today	40.2	36.9	316.4	280.1
Reader's Digest A.	133.9	99.7	1,057.2	872.8
Saturday Evening Post (9X)	40.5	35.5	306.7	293.7
Signature	99.6	91.7	791.7	630.9
Smithsonian	110.3	119.2	888.6	1,001.6
Sylvia Porter's Personal Finance (10X)	47.3	48.3	372.5	251.0

	Current month		Year-to-date	
	1986	1985	1986	1985
Town & Country	233.2	284.4	1,454.4	1,587.5
Travel & Leisure	125.0	147.0	1,149.9	1,187.3
Vanity Fair	75.2	46.1	519.3	376.4
Writer's Digest	29.8	19.2	278.9	261.6
Yankee	107.4	117.1	859.0	893.6
Total Group	2,641.9	2,540.3	19,207.1	18,475.7
% change		+4.0%		+4.0%

— Home —				
Americana (6X)	15.4	27.1	151.8	210.0
Architectural Digest A.	207.0	211.7	1,419.7	1,454.2
Better Homes & Gardens	143.6	140.6	1,210.2	1,224.8
Colonial Homes (6X)	69.4	51.5	390.7	365.9
Columbus Monthly-Homes (4X)	—	—	105.4	47.1
Country Home (6X)	63.3	31.7	298.6	195.4
Country Living	86.7	88.5	815.3	779.8
Dallas/Ft. Worth	—	—	—	—
Home & Garden	86.7	121.9	846.4	920.9
Family Handyman (10X) A.	46.8	54.9	527.8	598.6
Flower & Garden (6X)	34.2	46.6	190.6	205.4
Home	48.4	79.5	554.8	569.4
Home Mechanics	51.7	58.9	644.9	709.8
The Homeowner (10X)	25.9	23.4	282.2	265.5
Horticulture	33.0	33.7	399.1	368.3
House Beautiful	84.2	90.3	793.4	913.5
House & Garden	137.3	129.2	1,068.8	1,067.8
Houston Home & Garden	82.7	103.0	822.6	1,031.5
Metropolitan Home	67.3	76.2	632.7	715.6
1,001 Home Ideas	56.9	60.3	514.7	557.1
Phoenix Home/Garden	65.7	84.7	761.5	745.2
Practical Homeowner	38.5	46.5	467.7	498.3
Rodale's Organic Gardening	41.5	41.3	604.8	599.1
Rx Being Well	20.0	24.0	137.0	150.0
Southern Accents (6X)	105.5	100.8	596.7	536.0
Southern Living	171.0	201.3	1,545.8	1,502.7
Sunset Magazine A.	156.4	192.0	1,503.7	1,619.9
Texas Homes	56.6	76.8	654.0	877.9
Workbench (6X)	43.0	56.0	279.6	320.7
The Workbasket	34.5	44.2	114.5	385.6
Total Group	2,073.1	2,296.5	18,332.0	19,435.8
% change		-9.7%		-5.7%

— In-flight & other passenger —				
Alaska Airlines	60.0	55.0	643.8	548.1
America West Airlines	50.8	—	295.5	—
American Way (24X)	111.9	147.8	1,106.5	1,170.3
East/West Network:	—	—	—	—
Eastern Review	103.2	106.3	1,075.5	1,056.7
Northwest	58.3	50.0	513.2	470.3
PSA Magazine	134.3	118.8	1,025.9	946.8
Pan Am Clipper	44.0	60.8	484.5	676.0
Spirit	95.3	109.2	1,056.6	1,070.0
TWA Ambassador	64.2	—	108.5	—
United	116.2	117.2	1,058.0	1,051.9
Western's World	76.5	68.7	659.7	616.1
Halsey Publications:	—	—	—	—
Air Cal	55.3	45.3	571.0	541.1
Delta Sky	95.2	86.7	836.5	819.1
US Air	54.9	43.0	510.7	516.9
Hawaii (6X)	25.7	20.8	302.8	254.7
Pace	94.3	71.0	917.4	777.6
Presidential Airways (6X)	7.3	—	45.1	—
Spirit of Aloha (6X)	26.4	20.3	301.9	252.2
Total Group	1,273.8	1,121.0	11,513.1	10,767.7
% change		+13.6%		+6.9%

— Men's —				
Esquire A.	136.8	156.2	1,090.8	1,180.3
Gentlemen's Quarterly A.	182.0	186.5	1,750.7	1,689.9
M Magazine	71.8	64.5	695.9	608.0
Penthouse A.	55.7	54.5	462.0	489.8
Playboy A.	61.8	66.8	659.7	790.6
Salute	25.6	—	116.6	—
Total Group	533.7	528.5	4,778.7	4,758.6
% change		+1.0%		+0.4%

— Metropolitan —				
Aloha (6X)	33.2	35.5	180.3	189.8
Atlanta	62.5	80.8	587.1	611.3
Baltimore	104.4	106.4	882.1	903.1
Boston	217.9	204.3	1,745.0	1,732.9
California	74.2	79.0	755.8	761.2
Chicago	180.1	172.0	1,485.9	1,491.2
Chicago's North Shore	112.2	99.3	928.2	890.6
Cincinnati	88.2	103.8	721.5	685.1
Cleveland	85.0	102.2	783.3	883.6
Coast (39X)	60.7	69.5	2,391.7	2,617.3
Columbus Monthly	84.2	108.2	779.2	813.2
Connecticut	89.8	118.8	1,035.9	1,015.0
D/Magazine, Dallas/Ft. Worth	130.2	187.9	1,341.5	1,499.7
Denver	40.8	39.8	397.7	377.0
Detroit Monthly	144.4	185.6	891.7	797.8
Grand Rapids	52.3	42.3	476.6	558.1
Guthrie Life (10X)	74.0	58.0	648.0	523.0
Honolulu	119.2	112.6	723.0	701.5
Houston City	44.6	101.5	546.9	787.2
Madison	68.0	55.0	703.0	667.6
Metropolitan Detroit	98.5	79.0	841.5	802.5
Miami/South Florida	74.9	136.3	721.5	1,017.6
Mid Atlantic Country	31.0	41.7	430.2	493.3
Milwaukee	86.0	104.3	735.6	729.5
Minneapolis/St. Paul	135.6	177.0	1,105.8	1,131.1
Nashville	50.0	51.0	439.0	442.0
New Jersey Monthly	91.5	76.9	884.2	688.5
Ohio	63.2	60.9	643.1	737.6
Orlando	1,077.0	1,079.9	98.7	96.7
Palm Beach Life	92.5	92.7	661.0	771.2
Palm Springs Life	109.0	110.2	1,223.3	1,226.5
Philadelphia	175.2	176.4	1,494.1	1,531.0

	Current month		Year-to-date	
	1986	1985	1986	1985
Phoenix	174.2	103.6	1,065.0	1,074.6
Pittsburgh	92.5	87.8	746.5	719.8
St. Louis	60.3	65.0	—	—
San Diego	158.6	164.0	1,500.0	1,705.3
San Francisco Focus	126.6	123.8	1,059.8	1,020.6
Texas Monthly	155.8	196.2	1,349.7	1,412.8
Twin Cities	77.3	80.5	618.3	675.7
Ultra	74.3	113.2	660.9	841.5
The Virginian	53.3	51.5	367.8	324.0

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November

	Current month		Year-to-date	
	1986	1985	1986	1985
Photography				
American Photographer	42.3	53.4	427.4	453.5
Petersen's Photographic	31.1	34.9	284.1	319.5
Popular Photography	82.5	82.2	730.9	939.9
Total Group	155.9	170.5	1,442.4	1,712.9
% change		-488.6%		-15.8%

Religious				
Charisma	54.1	77.3	708.8	659.2
Christian Herald (11X)	28.2	31.3	280.9	318.5
Christian Life	32.8	—	225.8	—
Christianity Today (18X)	68.5	90.0	504.3	673.3
Moody Monthly (11X)	42.8	64.4	382.2	542.0
Today's Christian Woman (6X)	58.0	51.8	203.3	267.0
Total Group	284.4	314.8	2,305.3	2,460.0
% change		-9.7%		-6.3%

Science/electronic/mechanic				
Discover	59.9	55.3	385.6	383.2
Family Computing	72.7	52.8	502.0	433.8
Info World (52X)	137.0	107.0	1,373.0	1,375.0
Omni	76.3	75.5	727.8	727.1
Personal Computing	133.2	166.7	1,317.8	1,611.8
Popular Mechanics	89.7	102.2	1,010.9	1,065.7
Popular Science	68.7	76.9	741.0	722.6
Scientific American	56.3	80.5	391.6	523.2
Spectrum	90.3	127.1	913.6	1,158.9
Total Group	784.2	844.0	7,363.1	8,001.2
% change		-7.1%		-8.0%

Woman/fashion/service				
Bride's Magazine (6X) A.	—	—	1,792.7	1,544.2
Cosmopolitan A.	233.7	306.4	2,274.8	2,271.5
Essence	87.2	81.8	890.8	869.7
Family Circle (17X) A.	147.3	139.9	1,592.6	1,607.8
Glamour	201.8	188.6	2,008.6	1,980.2
Good Housekeeping A.	218.5	213.8	1,780.2	1,806.6
Harper's Bazaar	167.0	155.8	1,597.6	1,632.2
Health	47.9	32.6	445.3	435.1
Ladies' Home Journal	145.5	143.1	1,233.3	1,235.1
Mademoiselle	165.6	138.0	1,496.4	1,400.1
McCall's	123.4	124.4	1,033.2	1,034.0
Military Lifestyle	69.2	32.2	576.9	335.3
Modern Bride (6X)	185.7	155.4	1,552.8	1,475.4
Mt.	39.8	43.1	431.4	516.5
Parents Magazine A.	148.9	141.4	1,104.3	1,016.9
Redbook	137.9	111.7	1,072.6	1,037.4
Self	152.2	130.6	1,094.5	1,101.8
Seventeen	116.3	103.4	1,294.4	1,360.6
Shape	67.5	67.2	791.9	687.8
Soap Opera Digest (26X)	20.9	25.1	220.6	296.7
Teen Magazine	45.7	38.9	576.7	547.0
True Story A.	56.5	68.6	529.9	558.8
Vogue	330.2	303.1	2,989.9	3,019.2
W Magazine	157.7	170.4	1,318.0	1,287.7
Weight Watchers	38.2	27.7	372.8	311.5
Working Mother	123.6	98.0	834.7	847.7
Working Woman	194.5	140.7	1,207.8	1,144.3
Total Group	3,422.5	3,171.8	32,114.8	31,361.0
% change		+7.9%		+2.4%

Youth				
Boys' Life	16.0	17.7	182.5	204.1
Campus Life (10X)	41.0	44.6	396.7	474.7
Total Group	57.0	62.3	579.2	678.8
% change		-8.5%		-14.7%

October

	Current month		Year-to-date	
	1986	1985	1986	1985
Business/national				
Barron's	215.4	200.1	1,879.0	1,876.4
Black Enterprise	66.8	55.9	729.0	699.7
Business Week (52X) A.	395.8	383.7	3,072.2	3,422.5
Dun's Business Month	55.5	85.8	463.6	487.9
Financial World (26X)	51.6	60.1	624.3	480.8
Forbes (26X)	459.1	506.1	2,708.0	2,941.3
Fortune (26X)	360.9	403.1	2,306.1	2,713.1
Frequent Flyer	67.2	62.5	605.4	631.0
Futures	49.3	46.5	505.3	514.0
High Technology	22.6	22.3	190.9	296.1
Inc. Magazine A.	102.4	103.1	834.1	908.1
Income Opportunities	65.7	53.3	535.5	429.5
Industry Week (25X) A.	102.9	106.7	949.7	902.8
Nation's Business A.	41.6	36.3	341.3	329.8
Regardie's	104.2	114.0	1,392.9	1,251.3
Savvy	44.0	40.5	324.3	320.4
Venture	79.3	90.4	696.2	722.0
Total Group	2,284.4	2,370.3	18,157.7	18,926.6
% change		-3.6%		-4.1%

Business/regional				
Advantage-Nashville's Bus. Monthly	78.0	65.0	630.0	497.0
Arizona Bus. Gazette (52X)	40.6	36.3	324.8	287.7
Austin Bus. Journal (52X)	34.1	63.8	425.9	586.1
Baltimore Bus. Journal	99.2	70.5	725.3	663.3
Boston Bus. Journal (52X)	141.7	160.0	1,334.0	1,423.8
Business Atlanta	114.6	83.7	688.6	681.1
Business First of Buffalo	50.6	67.5	582.2	655.2
Business First of Columbus	81.2	82.5	826.2	662.8
Business Journal-Milwaukee	128.5	106.0	1,057.5	1,102.5
Business Journal-Sacramento	68.0	50.7	450.0	387.0
Business North Carolina	50.5	35.0	440.9	343.2
Business West	43.0	—	147.0	79.0
Cincinnati Business Courier	111.6	85.6	800.1	613.7
Corporate Report Kansas City	31.2	48.5	275.3	456.9
Craig's Chicago Bus. (52X)	182.8	195.0	1,635.8	1,586.0
Craig's Cleveland Bus. (52X)	101.4	80.3	648.8	756.0
Craig's New York Bus. (52X)	59.2	52.2	359.0	192.6
Florida Trend (13X)	99.0	121.3	824.5	929.7
Georgia Trend	69.1	45.0	546.7	105.0
Grand Rapids Bus. Journal	33.9	22.9	357.2	185.2

	Current month		Year-to-date	
	1986	1985	1986	1985
Hawaii Business	43.5	50.8	470.4	495.8
Indianapolis Bus. Journal (52X)	166.9	132.0	1,507.1	1,237.8
Intercomp-Connecticut (26X)	148.0	96.0	856.0	575.0
Kansas City Bus. Journal	121.7	143.7	1,249.9	1,483.2
Los Angeles Bus. Journal	41.2	64.2	374.9	489.5
Manhattan Inc.	94.1	72.4	705.0	427.4
New England Bus. (20X) A.	108.4	119.5	811.3	930.7
Pacific Bus. News (52X)	111.0	124.4	1,172.7	1,119.4
Philadelphia Bus. Journal (52X)	154.5	168.5	1,197.0	987.8
Pittsburgh Bus. Journal	108.9	86.3	997.9	793.6
San Diego Bus. Journal	49.0	35.0	340.0	332.0
South Florida Bus. Journal	96.4	94.3	1,084.2	907.2
St. Louis Bus. Journal (52X)	143.0	135.9	1,395.8	1,439.3
Texas Business	56.3	114.1	573.1	726.9
Total Group	3,061.0	2,909.0	25,814.9	24,139.3
% change		+5.2%		+6.9%

National Sunday magazines				
Parade (52X)	60.9	68.5	527.7	537.5
USA Weekend (52X)	48.0	67.7	497.5	534.4
Total Group	108.9	136.2	1,025.2	1,071.9
% change		-20.0%		-4.4%

Newspaper Sunday magazines				
Boston Globe	263.0	253.0	2,099.6	1,938.0
Chicago Tribune	128.3	186.0	894.0	1,187.2
Cleveland Plain Dealer	66.0	62.7	535.8	479.2
Columbus Dispatch	78.6	45.5	432.4	479.6
Detroit News	78.0	95.0	845.0	865.0
L.A. Times	69.2	214.4	698.3	749.1
Louisville Courier-Journal	66.9	93.9	635.0	717.0
Miami Herald	74.7	64.6	514.0	426.7
New York Times Magazine	421.6	458.1	3,286.7	3,527.7
Philadelphia Inquirer	73.2	—	658.0	462.0
San Francisco Image	94.2	132.5	674.5	597.6
Toledo Blade Magazine	31.3	52.0	369.6	429.3
Washington Post	154.6	123.4	1,260.2	1,140.5
Total Group	1,599.6	1,781.1	12,903.1	12,998.9
% change		-10.2%		-0.7%

Weeklies/biweeklies				
The Advocate (26X)	107.7	204.8	1,339.6	1,034.3
Army Times Military Group:				
Air Force Times (52X)	172.1	174.3	1,792.3	1,581.1
Army Times (52X)	163.5	177.0	1,654.9	1,549.4
Navy Times (52X)	189.0	182.7	1,824.7	1,673.0
The Blood-Horse (52X)	552.8	495.1	3,676.9	4,183.9
Copper's Weekly (17X)	33.7	26.7	274.1	267.0
Commonweal (22X)	9.7	10.9	69.6	62.6
Grit (52X) A.	28.9	25.0	246.7	201.3
National Journal (50X)	91.8	44.0	573.5	469.0
National Review (25X)	34.5	25.2	300.3	232.8
New Republic (48X)	41.5	55.9	351.7	312.4
New York Magazine (50X)	291.9	311.0	2,445.2	2,395.1
New Yorker	322.7	315.0	2,036.9	2,258.7
Newsweek (52X) A.	267.5	288.3	1,981.3	2,152.9
People (52X)	302.6	348.4	2,911.0	2,928.6
Rolling Stone (25X)	144.9	109.0	1,110.4	898.5
Sporting News (52X)	62.8	58.1	518.9	442.1
Sports Illustrated (52X) A.	248.5	278.2	2,165.3	2,245.5
Time (52X) A.	275.1	271.5	2,035.9	2,099.4
Traveler (52X) C.	3,195.0	3,305.0	32,200.0	32,242.0
TV Guide (52X) A.	310.9	345.7	2,868.7	2,974.7
TV Update (52X) C.	2,051.0	2,130.0	23,370.0	22,859.0
Us Magazine (26X)	44.3	66.8	421.2	352.5
U.S. News & World Report (52X) A.	129.2	154.0	1,247.3	1,357.7
Total Group	9,071.7	9,402.6	87,416.4	86,773.4
% change		-3.5%		+0.7%

Foreign				
Business Week Int'l (52X)	164.0	191.1	1,304.2	1,264.3
De Armas Publications:				
Geomundo:				
Central America	6.0	10.0	40.0	50.5
Chile	7.0	9.0	45.0	52.5
Colombia	14.0	18.0	82.8	94.5
Ecuador	7.0	6.0	36.0	40.0
Mexico	14.0	12.5	88.2	84.0
Peru	5.0	7.0	30.0	48.5
Puerto Rico	3.0	5.0	28.5	29.0
U.S.	5.7	8.7	48.3	61.0
Venezuela	10.5	9.0	126.5	86.0
Hombre De Mundo:				
Central America	5.0	7.0	49.3	38.5
Chile	4.0	7.0	49.3	45.5
Colombia	16.0	17.3	142.0	87.5
Ecuador	4.0	6.0	42.3	40.0
Mexico	31.7	20.5	161.7	126.5
Peru	3.0	5.0	29.3	31.5
Puerto Rico	3.0	9.0	40.3	65.0
U.S.	14.0	10.7	98.7	88.3
Venezuela	16.5	26.0	180.8	203.0
Ideas Para Su Hogar:				
Colombia	21.0	18.5	113.2	151.7
Ecuador	4.0	11.0	21.0	53.0
Mexico	19.3	20.7	85.8	114.0
Peru	2.0	1.5	26.0	21.5
Puerto Rico	—	—	0.2	10.5
U.S.	4.0	4.0	43.0	57.0
Venezuela	5.0	19.5	86.7	163.3
Mecanica Popular:				
Argentina	7.7	—	47.3	16.3
Central America	12.3	10.5	88.3	93.3
Chile	7.0	2.3	45.3	31.5
Colombia	22.3	19.7	151.3	140.3
Mexico	23.7	20.0	124.0	154.2
Peru	12.8	10.7	101.7	110.2
Puerto Rico	10.0	10.0	67.5	89.3
U.S.	5.2	11.0	57.7	71.5
Venezuela	22.0	12.0	116.2	127.5
Variedades Continental:				
Central America	20.0	16.8	172.3	82.0
Chile	5.7	4.3	40.7	30.3

	Current month		Year-to-date	
	1986	1985	1986	1985
Colombia	129.8	122.2	799.3	703.0
Ecuador	23.5	34.2	187.2	210.5
Mexico	99.5	144.7	776.0	878.5
Peru	14.8	30.2	119.8	164.3
Puerto Rico	34.8	45.5	317.8	346.7
U.S.	54.2	61.5	440.0	391.0
Venezuela	56.5	83.0	384.0	504.3
Hearst International Publications:				
Buenos Aires:				
Central America	3.0	—	13.0	7.0
Chile	2.0	1.0	13.0	9.0
Colombia	48.3	39.0	324.3	321.0
Ecuador	13.5	20.0	111.0	161.0
Mexico	70.5	62.3	335.0	466.0
Peru	15.5	11.0	75.5	108.0
Puerto Rico	12.5	4.2	92.5	91.5
U.S.	19.7	21.5	200.2	173.0
Venezuela	45.2	43.7	210.0	333.2
Cosmopolitan en Espanol:				
Central America	13.0	3.3	46.7	13.8
Colombia	35.3	19.7	161.3	139.7
Ecuador	2.0	1.0	2.0	4.0
Mexico	65.8	76.7	410.7	474.2
Peru	1.0	2.0	1.0	25.0
Puerto Rico	13.0	27.7	104.3	208.5
U.S. (Spanish language)	24.7	28.8	248.7	179.3
Venezuela	28.3	35.3	147.0	229.7
Cosmopolitan Foreign Editions:				
Australia	92.4	109.5	660.3	660.0
Brazil	81.9	98.2	513.8	529.9
China	55.2	99.7	309.6	295.2
France	154.2	141.3	790.3	961.3
Germany	167.2	144.8	1,067.9	962.3
Great Britain	148.0	165.0	1,048.7	1,158.0
Greece	52.0	44.0	529.4	519.4
Holland	114.0	98.0	694.3	644.3
Italy	103.3	52.8	550.0	468.4
Japan	53.9	53.3	346.1	350.0
South Africa	113.0	111.0	854.0	860.0
Good Housekeeping Foreign Editions:				
Australia	53.0	38.0	306.4	543.2
Great Britain	182.4	182.1	1,247.7	1,249.2
Japan	85.3	77.7	736.7	701.9
International Communications:				
African Business	33.8	38.3	278.9	267.6
The Middle East	18.9	15.8	123.7	156.1
New African	31.5	28.4	190.0	169.6
International Management:				
Europe	56.2	82.0	458.3	503.2
Middle East	16.2	20.5	113.2	161.0
Johnston International:				
Alam AlTijarat	30.7	54.5	332.4	455.7
Far East Business	58.5	38.3	384.5	296.7
Modern Africa (6X)	24.5	14.8	102.8	63.4
Newsweek International A.:				
Atlantic (52X)	125.4	135.7	794.5	852.8
Latin America (52X)	35.4	35.6	295.1	277.7
Pacific (52X)	705.8	91.6	571.2	619.9
Progreso (9X)	7.6	10.8	71.6	97.0
Reader's Digest:				
Arabic	9.5	9.0	67.5	101.5
Asian	239.0	309.0	2,099.8	2,087.5
Australian	52.0	68.3	537.8	554.0
Belgian-Flemish	116.0	113.5	670.9	762.0
Belgian-French	80.0	53.0	409.6	480.0
British	75.0	64.3	465.7	451.3
Chinese B.	135.5	149.0	1,011.3	1,249.0
Danish	45.3	38.5	308.3	316.8
Dutch	72.8	73.8	381.4	391.0
Finnish	48.3	44.3	384.1	432.7
French	28.0	43.1	148.1	408.5
German	88.5	91.3	608.7	626.2
Iberian	5.0	1.0	17.0	33.0
Indian-English	77.5	85.0	779.0	879.5
Indian-Hindi	9.5	12.0	99.5	108.5
Italian	48.0	37.0	388.0	319.0
Korean	22.5	27.3	285.5	243.5
Latin American:				
Argentina	19.0	13.5	133.5	181.0
Brazil	—	6.0	20.0	44.0
Central American	10.0	10.5	66.0	88.5
Chile	15.0	12.0	106.0	105.0
Colombia	27.5	30.0	237.5	266.5
Ecuador	9.0	10.5	61.0	86.5
Mexico	97.0	61.5	579.6	474.2
Peru	10.0	12.5	72.0	97.0
Puerto Rico	3.0	7.0	45.5	49.0
U.P.B.	10.0	12.5	62.0	73.0
U.S. Spanish	13.0	12.5	159.5	96.0
Venezuela	8.5	14.5	100.5	104.0
New Zealand	54.5	55.5	528.3	551.5
Norwegian	8.5	16.0	73.0	185.8
Portugal	39.0	47.0	350.3	358.1
South African	106.0	99.5	786.0	897.5
Swedish	15.5	38.0	149.5	173.0
Swiss-French	29.0	46.0	200.0	249.6
Swiss-German	36.0	61.0	266.8	350.1
Visao (52X)	229.0	269.8	1,408.7	1,355.1
Visao/Latin America (24X) A.	39.8	42.7	273.7	265.3
Total Group	5,895.6	5,575.6	37,244.5	39,514.7
% change		+5.7%		-5.7%